

## TWENTY-SEVENTH DAY

**Tuesday, March 10, 1998**

The Senate of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1998, convened at 9:48 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Honorable Rosalyn H. Baker, Hawaii State Senate, after which the Roll was called showing all Senators present.

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

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 42 to 51) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 42, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2357, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INDEMNIFICATION OF COUNTY AGENCIES," was referred to the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Judiciary.

H.B. No. 2685, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-TO-WORK OPPORTUNITIES," was referred jointly to the Committee on Education and the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2901, H.D. 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE UNIVERSITY OF HAWAII," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2985, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION AND WATER UTILIZATION PROJECTS," was referred jointly to the Committee on Economic Development and the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2997, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TOURISM MARKETING," was referred to the Committee on Economic Development, then to the Committee on Ways and Means.

H.B. No. 3032, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR PUBLIC SAFETY," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 3087, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SEARCH AND RESCUE COSTS," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 3207, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was referred jointly to the Committee on Education and the Committee on Human Resources, then to the Committee on Ways and Means.

Hse. Com. No. 43, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator

Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2854, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE CHILD AND ADOLESCENT MENTAL HEALTH DIVISION," was referred to the Committee on Health and Environment, then to the Committee on Ways and Means.

H.B. No. 2858, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," was referred to the Committee on Health and Environment, then to the Committee on Ways and Means.

Hse. Com. No. 44, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2655, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," was referred to the Committee on Economic Development, then to the Committee on Ways and Means.

H.B. No. 2714, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNCOLLECTIBLE ACCOUNTS IN THE JUDICIARY," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 2760, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SALARY PERIODS," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2792, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII SMALL BUSINESS REGULATORY FLEXIBILITY ACT," was referred jointly to the Committee on Economic Development and the Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means.

H.B. No. 2992, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 3002, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE EMPLOYEES' RETIREMENT SYSTEM," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 3416, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRISONS," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 3616, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL SAFETY," was referred jointly to the Committee on Education and the Committee on Human Resources, then to the Committee on Ways and Means.

Hse. Com. No. 45, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 1813, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT

SYSTEM," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2358, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER RESTRAINT SYSTEMS," was referred to the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Judiciary.

H.B. No. 2443, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY ENCROACHMENT," was referred to the Committee on Judiciary.

H.B. No. 2486, H.D. 3, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," was referred to the Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means.

H.B. No. 2598, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATIC EXTERNAL DEFIBRILLATORS," was referred to the Committee on Health and Environment, then to the Committee on Judiciary.

H.B. No. 2648, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 3613, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," was referred to the Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means.

Hse. Com. No. 46, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2671, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC," was referred to the Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means.

H.B. No. 2993, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL IDENTIFICATION PROGRAM," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 3022, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO YOUTH FACILITY," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 3063, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES RETIREMENT SYSTEM," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 3072, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE ANALYST," was referred to the Committee on Ways and Means.

H.B. No. 3365, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," was referred to the Committee on Economic Development, then to the Committee on Ways and Means.

H.B. No. 3457, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE WEST HAWAII REGIONAL FISHERY MANAGEMENT AREA," was referred to the

Committee on Economic Development, then to the Committee on Ways and Means.

H.B. No. 3527, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR PROJECTS ON THE ISLAND OF HAWAII," was referred to the Committee on Economic Development, then to the Committee on Ways and Means.

Hse. Com. No. 47, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2791, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUSINESS ACTION CENTER," was referred to the Committee on Economic Development, then to the Committee on Commerce, Consumer Protection, and Information Technology.

H.B. No. 3224, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

Hse. Com. No. 48, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2362, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE TRUSTS," was referred jointly to the Committee on Judiciary and the Committee on Ways and Means.

H.B. No. 2544, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL JUSTICE REFORM," was referred to the Committee on Judiciary.

H.B. No. 2649, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," was referred to the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Human Resources.

H.B. No. 3056, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE AND EXEMPTIONS," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 3132, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WAGE AND HOUR LAW," was referred to the Committee on Human Resources.

Hse. Com. No. 49, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2401, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR TAX LAW," was referred to the Committee on Ways and Means.

H.B. No. 2424, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," was referred to the Committee on Government Operations and Housing, then to the Committee on Ways and Means.

H.B. No. 2764, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," was referred to the Committee on Human Resources, then to the Committee on Ways and Means.

H.B. No. 2765, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was referred to the Committee on Government Operations and Housing, then to the Committee on Ways and Means.

H.B. No. 2790, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," was referred to the Committee on Water, Land, and Hawaiian Affairs, then to the Committee on Ways and Means.

H.B. No. 2892, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," was referred to the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means.

Hse. Com. No. 50, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2438, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," was referred to the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Judiciary.

H.B. No. 2459, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SEARCH WARRANTS," was referred to the Committee on Judiciary.

H.B. No. 2912, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION," was referred to the Committee on Ways and Means.

H.B. No. 3044, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX SUBLEASE DEDUCTION," was referred to the Committee on Ways and Means.

H.B. No. 3054, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE RATINGS OF EMPLOYEES IN THE CIVIL SERVICE," was referred to the Committee on Human Resources.

Hse. Com. No. 51, transmitting the following House bills which passed Third Reading in the House of Representatives on March 6, 1998, was placed on file and, on motion by Senator Ihara, seconded by Senator Slom and carried, said House bills passed First Reading by title and were referred to committees:

H.B. No. 2711, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS," was referred to the Committee on Judiciary, then to the Committee on Ways and Means.

H.B. No. 2967, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SURFING," was referred to the Committee on Economic Development.

**ORDER OF THE DAY**

**MATTERS DEFERRED FROM FRIDAY, MARCH 6, 1998**

**REFERRAL OF HOUSE CONCURRENT RESOLUTIONS**

The President referred the following House concurrent resolutions that were received on Friday, March 6, 1998:

House  
Concurrent  
Resolution                      Referred to:

No. 39                              Committee on Human Resources

No. 48, H.D. 1                      Committee on Human Resources, then to the Committee on Ways and Means

**RECOMMITTAL OF SENATE BILLS**

Stand. Com. Rep. No. 2524 (S.B. No. 3003, S.D. 2):

By unanimous consent, Stand Com. Rep. No. 2524 and S.B. No. 3003, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD CARE FACILITIES," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 2556 (S.B. No. 1564, S.D. 2):

By unanimous consent, Stand Com. Rep. No. 2556 and S.B. No. 1564, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EPIDEMIOLOGIC INVESTIGATIONS," were recommitted to the Committee on Judiciary.

**THIRD READING**

S.B. No. 2509, S.D. 1:

On motion by Senator Tam, seconded by Senator Fernandes Salling and carried, S.B. No. 2509, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2903:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2903, entitled: "A BILL FOR AN ACT RELATING TO THE STATE COMMISSION ON THE STATUS OF WOMEN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2423 (H.B. No. 1649, H.D. 2, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2423 was adopted and H.B. No. 1649, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERJURY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2895:

On motion by Senator Tanaka, seconded by Senator Taniguchi and carried, S.B. No. 2895, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1465:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 1465, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2885:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2885, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT ON PUBLIC WORKS PROJECTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2840, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2840, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2981, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2981, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2586, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2586, S.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, 24. Noes, none. Excused, 1 (Aki).

S.B. No. 2889, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2889, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2438 (S.B. No. 2963, S.D. 2):

On motion by Senator Bunda, seconded by Senator M. Ige and carried, Stand. Com. Rep. No. 2438 was adopted and S.B. No. 2963, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2327, S.D. 1:

On motion by Senator Bunda, seconded by Senator M. Ige and carried, S.B. No. 2327, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2441 (S.B. No. 2581):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2441 was adopted and S.B. No. 2581, entitled: "A BILL FOR AN ACT RELATING TO

CEMETERY AND FUNERAL TRUSTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2448 (S.B. No. 3035, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2448 was adopted and S.B. No. 3035, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2451 (S.B. No. 2845, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2451 was adopted and S.B. No. 2845, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DIRECTOR OF HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2452 (S.B. No. 3248, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2452 was adopted and S.B. No. 3248, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2453 (S.B. No. 2866, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2453 was adopted and S.B. No. 2866, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONNEL FOR MENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2456 (S.B. No. 2816, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2456 was adopted and S.B. No. 2816, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COMPOSITION OF THE BOARD OF THE HAWAII PUBLIC EMPLOYEES' HEALTH FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2457 (S.B. No. 2874, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2457 was adopted and S.B. No. 2874, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD WELFARE SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2458 (S.B. No. 2877, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2458 was adopted and S.B. No. 2877, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL CARE SERVICES PAYMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2460 (S.B. No. 3000, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2460 was adopted and S.B. No. 3000, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2462 (S.B. No. 2338, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2462 was adopted and S.B. No. 2338, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CERTIFICATION OF HOISTING MACHINE OPERATORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2463 (S.B. No. 2768, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2463 was adopted and S.B. No. 2768, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PAYMENTS TO HEALTH CARE PROVIDERS FOR WORKERS' COMPENSATION CLAIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2465 (S.B. No. 3031, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2465 was adopted and S.B. No. 3031, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2466 (S.B. No. 2658, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2466 was adopted and S.B. No. 2658, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAPSED WARRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2467 (S.B. No. 2759, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2467 was adopted and S.B. No. 2759, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2470 (S.B. No. 2346, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2470 was adopted and S.B. No. 2346, S.D. 2, 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, 24. Noes, none. Excused, 1 (Aki).

Stand. Com. Rep. No. 2472 (S.B. No. 1012):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2472 was adopted and S.B. No. 1012, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2473 (S.B. No. 2026, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2473 be adopted and S.B. No. 2026, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator D. Ige requested the following remarks be inserted into the Journal:

"Mr. President, I rise to speak in support of this measure. The purpose of the Small Business Innovation Grant program is to expand science and technology-based economic development, increase revenues, and create quality job opportunities in Hawaii by encouraging Hawaii companies to participate in the federal SBIR program.

"Prior to 1989 and the creation of the state SBIR program, only two Hawaii companies participated in the federal program. Since then, 24 companies have received more than \$21 million in federal awards. This program has been successful in highlighting Hawaii's place in the federal technology landscape.

"Senate Bill 2026 excludes from general excise taxes, all state SBIR grants received by these small, innovative technology companies. This exemption will provide needed funds to pursue additional federal awards. I urge all of my colleagues to support this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2473 was adopted and S.B. No. 2026, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS INNOVATION RESEARCH GRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2474 (S.B. No. 2092, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2474 was adopted and S.B. No. 2092, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2475 (S.B. No. 2624, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2475 was adopted and S.B. No. 2624, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOMELESS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2476 (S.B. No. 2804, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2476 was adopted and S.B. No. 2804, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2477 (S.B. No. 2812, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2477 was adopted and S.B. No. 2812, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2478 (H.B. No. 1830, H.D. 1, S.D. 1):

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, Stand. Com. Rep. No. 2478 was adopted and H.B. No. 1830, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2479 (S.B. No. 2349, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2479 was adopted and S.B. No. 2349, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2481 (S.B. No. 2641, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2481 was adopted and S.B. No. 2641, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2484 (S.B. No. 2851, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2484 was adopted and S.B. No. 2851, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO IMMUNIZATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2486 (S.B. No. 1480, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2486 was adopted and S.B. No. 1480, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2487 (S.B. No. 2437, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2487 was adopted and S.B. No. 2437, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC EMPLOYEES HEALTH FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2488 (S.B. No. 2621, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2488 be adopted and S.B. No. 2621, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Chun Oakland requested the following remarks be inserted into the Journal:

"In 1995, the Hawaii State Legislature enacted significant and positive legislation to reform our welfare system by creating many incentives to assist families on public assistance transition into the work force and become self-sufficient. In 1996, the federal government enacted the Personal Responsibility and Work Opportunity Act which abolished the 61 year old Aid to Families with Dependent Children entitlement program and replaced it with a transitional aid program called Temporary Assistance to Needy Families (TANF). Both the new state and federal laws require that recipients who are able to work must secure employment at the earliest opportunity.

"The new federal law places a heavy burden on the states in the union due to the fact that each state must meet strict work participation requirements. In Hawaii's case, compliance with the federal law means that 25 percent of the state's employable public assistance recipients must be working by 1998. By the year 2002, that number doubles, meaning that 50 percent of the state's employable assistance recipients must be holding some type of job at least part-time. This means that approximately 15,000 families will need to enter or re-enter the work force in the next one to five years in order to meet the requirements set forth by the new federal law.

"As a result, the need to compete for and secure employment in this sluggish economy is a real and daily challenge for families on public assistance. This year, more than 3,500 families found paid or unpaid jobs or are enrolled in training programs in order to comply with the state and federal mandates. Each successive year, though, will only add to the job creation dilemma due to the fact that the passage of each year means that more and more workers must be employed for a greater number of hours per week. This is a reality we, as a state, must face and this is the dilemma we, as a state, must solve in order to assist families in their efforts to become self-sufficient.

"The Department of Human Services has already adopted several new welfare-to-work programs that assist families in transitioning from welfare to work. The department is currently developing a pilot program with a number of community

agencies in order to test the concept of voluntary grant diversion, in order to test the viability of using grants to create new jobs by converting those grants into wage subsidies for welfare recipients who become employees. In addition to that, the department has also modified its procedures regarding higher education by providing financial assistance to college students for four years if their course of study is likely to lead to a job.

"There is more that we can do to create a more comprehensive approach that involves government and other sectors of our community to truly help those transitioning into the work force.

"Senate Bill 2621, S.D. 2, requires that a master plan be developed by the DHS, the DLIR, the DBEDT, other government agencies, and the public to assist welfare recipients in transitioning from dependence to self-sufficiency -- from welfare to work. As stated in the bill's preamble, S.B. No. 2621, S.D. 2, should help to implement new welfare reform policies by eliminating employment disincentives, enhancing work readiness, and promoting the creation of new job opportunities by government, community organizations, and private businesses.

"In these times of extreme financial hardship, I know that finding new employment opportunities for those on assistance and those who become unemployed will be difficult. However, I know that this body is sincerely interested in supporting these families and the Department of Human Services and its collaborative partners in successfully building new and better lives for the people of Hawaii. Thank you for making this commitment and for your support of S.B. No. 2621, S.D. 2."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2488 was adopted and S.B. No. 2621, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WELFARE TO WORK TRANSITION ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2490 (S.B. No. 2744, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2490 was adopted and S.B. No. 2744, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO YOUTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2491 (S.B. No. 2878, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2491 was adopted and S.B. No. 2878, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID OVERPAYMENT RECOVERY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2492 (S.B. No. 2879, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2492 was adopted and S.B. No. 2879, S.D. 2, 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 (Aki).

Stand. Com. Rep. No. 2493 (S.B. No. 2817, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2493 was adopted and S.B. No. 2817, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH BENEFITS FOR PART-TIME, TEMPORARY, AND SEASONAL OR CASUAL EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2494 (S.B. No. 2848, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2494 was adopted and S.B. No. 2848, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY INTERVENTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2495 (S.B. No. 2883, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2495 was adopted and S.B. No. 2883, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEARINGS OF THE PUBLIC EMPLOYEES COMPENSATION APPEALS BOARD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2497 (S.B. No. 2986, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2497 was adopted and S.B. No. 2986, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A MEDICAID LONG-TERM CARE DEMONSTRATION PROJECT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2498 (S.B. No. 3227, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2498 was adopted and S.B. No. 3227, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY INTERVENTION SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2499 (S.B. No. 705, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2499 was adopted and S.B. No. 705, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE EXEMPTIONS FOR THE JUDICIARY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2500 (S.B. No. 2684, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2500 was adopted and S.B. No. 2684, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OFFICE HOURS FOR PUBLIC OFFICERS

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

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

Stand. Com. Rep. No. 2501 (S.B. No. 2326, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2501 was adopted and S.B. No. 2326, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER'S MUTUAL INSURANCE COMPANY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2503 (S.B. No. 2314):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2503 was adopted and S.B. No. 2314, entitled: "A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF FINANCING AGREEMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2505 (S.B. No. 2705, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2505 was adopted and S.B. No. 2705, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2506 (S.B. No. 2782):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2506 was adopted and S.B. No. 2782, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2507 (S.B. No. 2945, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2507 was adopted and S.B. No. 2945, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR THE INDIGENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2508 (S.B. No. 2909, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2508 was adopted and S.B. No. 2909, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FACILITY REVENUE BONDS FOR AIRPORTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2509 (S.B. No. 2914, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2509 was adopted and S.B. No. 2914, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2512 (S.B. No. 2228, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2512 was adopted and S.B. No. 2228, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2517 (S.B. No. 3064):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2517 was adopted and S.B. No. 3064, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2518 (S.B. No. 3075, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2518 was adopted and S.B. No. 3075, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2522 (S.B. No. 2873, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2522 was adopted and S.B. No. 2873, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO YOUTH FACILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2525 (S.B. No. 2880, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2525 was adopted and S.B. No. 2880, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION PLAN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2529 (S.B. No. 2394, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2529 was adopted and S.B. No. 2394, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTERGOVERNMENTAL AGREEMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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



Stand. Com. Rep. No. 2530 (S.B. No. 2063, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2530 was adopted and S.B. No. 2063, S.D. 2, 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, 24. Noes, none. Excused, 1 (Aki).

S.B. No. 2065, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 2065, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3006:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 3006, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF TAXES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3113, S.D. 1:

On motion by Senator Bunda, seconded by Senator M. Ige and carried, S.B. No. 3113, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2538 (S.B. No. 2129):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2538 was adopted and S.B. No. 2129, entitled: "A BILL FOR AN ACT RELATING TO THE ETHICS COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2308:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2308, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE TRADE, VOCATIONAL, OR TECHNICAL SCHOOLS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2516, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2516, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2541 (S.B. No. 2802, S.D. 1):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2541 was adopted and S.B. No. 2802, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUSINESS ACTION CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2542 (S.B. No. 2847, S.D. 1):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2542 was adopted and S.B. No. 2847, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE SUNSET CLAUSE FOR MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE TREATMENT INSURANCE BENEFITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2941, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2941, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2545 (S.B. No. 3094, S.D. 2):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2545 was adopted and S.B. No. 3094, S.D. 2, 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 (Aki).

Stand. Com. Rep. No. 2546 (S.B. No. 3234):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2546 was adopted and S.B. No. 3234, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN ASSISTANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2547 (S.B. No. 3240):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2547 was adopted and S.B. No. 3240, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS AND RECORDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2548 (S.B. No. 2411, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2548 was adopted and S.B. No. 2411, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2549 (S.B. No. 2472):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2549 was adopted and S.B. No. 2472, entitled: "A BILL FOR AN ACT RELATING TO TRADE REGULATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2550 (S.B. No. 2554, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2550 was adopted and S.B. No. 2554, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FRAUDULENT USE OF CREDIT CARD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2551 (S.B. No. 2785, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2551 was adopted and S.B. No. 2785, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM INFORMATION PRACTICES ACT (MODIFIED)," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2553 (S.B. No. 2832, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2553 was adopted and S.B. No. 2832, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INVESTIGATIVE SUBPOENAS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2554 (S.B. No. 2836, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2554 was adopted and S.B. No. 2836, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE FRAUD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2557 (S.B. No. 2389, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2557 was adopted and S.B. No. 2389, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATIC EXTERNAL DEFIBRILLATORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2558 (S.B. No. 2566):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2558 was adopted and S.B. No. 2566, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL TREATMENT DECISIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2559 (S.B. No. 2846, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2559 was adopted and S.B. No. 2846, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2560 (S.B. No. 3171, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2560 was adopted and S.B. No. 3171, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL, DENTAL, OR HOSPITAL RECORDS AND WRITINGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2561 (S.B. No. 3228, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2561 was adopted and S.B. No. 3228, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2563 (S.B. No. 2099, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2563 was adopted and S.B. No. 2099, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2564 (S.B. No. 2136, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2564 was adopted and S.B. No. 2136, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR CONTROL ADJUDICATION BOARD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2566 (S.B. No. 2493, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2566 was adopted and S.B. No. 2493, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IMPAIRED DRIVERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2567 (S.B. No. 3204):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2567 was adopted and S.B. No. 3204, entitled: "A BILL FOR AN ACT RELATING TO TRACKING DEVICES," having been read

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

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

S.B. No. 2127, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2127, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY ELECTIONS REQUIRING A RUNOFF," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2128, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2128, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LOBBYING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2239:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2239, entitled: "A BILL FOR AN ACT RELATING TO VISITATION RIGHTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2249, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2249, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2253, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2253, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2398, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2398, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2403, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2403, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTIVE ORDERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2404, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2404, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2565, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2565, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SERVICE OF NOTICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2704, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2704, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE ABATEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2712, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2712, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2740, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2740, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRUSTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2854, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2854, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GRANDPARENTS' VISITATION RIGHTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3040, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 3040, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONCURRENT JURISDICTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3170, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 3170, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ADMISSIBILITY OF PAID BILLS IN COURT," having been read throughout,

passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2323, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2323, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2696, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2696, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DANGEROUS INSTRUMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2715, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2715, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2795, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2795, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATES OF MIND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2796:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2796, entitled: "A BILL FOR AN ACT RELATING TO ROBBERY IN THE FIRST DEGREE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2786:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2786, entitled: "A BILL FOR AN ACT RELATING TO SEX OFFENDER REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2580, S.D. 1:

On motion by Senator Tam, seconded by Senator Fernandes Salling and carried, S.B. No. 2580, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE STUDENT COUNCIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2625, S.D. 1:

On motion by Senator Tam, seconded by Senator Fernandes Salling and carried, S.B. No. 2625, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2600 (S.B. No. 2171, S.D. 2):

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, Stand. Com. Rep. No. 2600 was adopted and S.B. No. 2171, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL HEALTH SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2601 (S.B. No. 2388, S.D. 1):

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, Stand. Com. Rep. No. 2601 was adopted and S.B. No. 2388, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2056, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Tanaka and carried, S.B. No. 2056, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2345, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, S.B. No. 2345, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THREATENED AND ENDANGERED SPECIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2347, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, S.B. No. 2347, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2390, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, S.B. No. 2390, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL ASSESSMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2757, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, S.B. No. 2757, S.D. 1, entitled: "A

BILL FOR AN ACT RELATING TO ENVIRONMENTAL ASSESSMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2852, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Levin and carried, S.B. No. 2852, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE VOLUNTARY RESPONSE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1196, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, S.B. No. 1196, 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 (Aki).

S.B. No. 2256, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, S.B. No. 2256, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BARBERS POINT HARBOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2611 (S.B. No. 2556, S.D. 2):

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, Stand. Com. Rep. No. 2611 was adopted and S.B. No. 2556, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE REGISTRATION OF VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2655, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, S.B. No. 2655, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BICYCLE AND MOPED REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2890, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, S.B. No. 2890, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FIRE PROTECTION INSPECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2495, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2495, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WAGE AND HOUR LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2680, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2680, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERFORMANCE RATINGS OF EMPLOYEES IN THE CIVIL SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2887, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2887, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AMUSEMENT RIDES, INCLUDING BUNGEE JUMPING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2619 (S.B. No. 3159, S.D. 2):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2619 was adopted and S.B. No. 3159, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE TIME SHARE LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2620 (S.B. No. 2858, S.D. 1):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2620 was adopted and S.B. No. 2858, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NURSE MIDWIVES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2621 (S.B. No. 2132, S.D. 1):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2621 was adopted and S.B. No. 2132, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2622 (S.B. No. 2332, S.D. 1):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2622 was adopted and S.B. No. 2332, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BOXING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2623 (S.B. No. 3126, S.D. 2):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2623 was adopted and S.B. No. 3126, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2309, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2309, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2583, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2583, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MUTUAL BENEFIT SOCIETIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2608, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2608, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2807:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2807, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2819:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2819, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2821:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2821, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2825:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2825, entitled: "A BILL FOR AN ACT RELATING TO SENIOR PSYCHOLOGISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2827:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2827, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIST LICENSURE EXAMINATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2839:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2839, 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, 24. Noes, none. Excused, 1 (Aki).

S.B. No. 2842:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2842, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MEDICAL MALPRACTICE UNDERWRITING PLAN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2844:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2844, entitled: "A BILL FOR AN ACT RELATING TO ISSUANCE OF UTILITY VOTING STOCK," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3018:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 3018, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM COMMERCIAL CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3077:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 3077, entitled: "A BILL FOR AN ACT RELATING TO RISK RETENTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2641 (S.B. No. 2770, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2641 was adopted and S.B. No. 2770, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEASUREMENT STANDARDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2643 (S.B. No. 2460, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2643 was adopted and S.B. No. 2460, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ACQUISITION OF HOSPITALS,"

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

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

Stand. Com. Rep. No. 2644 (S.B. No. 2494, S.D. 1):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2644 was adopted and S.B. No. 2494, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE DRIVER'S LICENSE REVOCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2646 (S.B. No. 2957, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2646 was adopted and S.B. No. 2957, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR ADVERTISING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2466, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2466, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GUARDIANSHIP," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2697, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2697, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JURISDICTION OF THE COURTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2717, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 2717, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2652 (S.B. No. 2587, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2652 was adopted and S.B. No. 2587, S.D. 2, 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, 24. Noes, none. Excused, 1 (Aki).

Stand. Com. Rep. No. 2658 (S.B. No. 3223, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2658 was adopted and S.B. No. 3223, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL PARKS," having been

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

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

Stand. Com. Rep. No. 2659 (S.B. No. 2730):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2659 was adopted and S.B. No. 2730, entitled: "A BILL FOR AN ACT RELATING TO HEALTHCARE PROVIDER EXCHANGE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2660 (S.B. No. 2307, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2660 was adopted and S.B. No. 2307, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING REVOLVING FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2662 (S.B. No. 2413, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2662 was adopted and S.B. No. 2413, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2663 (S.B. No. 3051):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2663 was adopted and S.B. No. 3051, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2664 (S.B. No. 2439, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2664 was adopted and S.B. No. 2439, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ALCOHOL AND DRUG DEPENDENCE BENEFITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2665 (S.B. No. 2336, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2665 was adopted and S.B. No. 2336, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2666 (S.B. No. 2635, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2666 was adopted and S.B.

No. 2635, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2667 (H.B. No. 1815, H.D. 1, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2667 was adopted and H.B. No. 1815, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2668 (S.B. No. 2618, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2668 was adopted and S.B. No. 2618, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MEDICALLY UNDERSERVED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2670 (S.B. No. 2254, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2670 was adopted and S.B. No. 2254, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2672 (S.B. No. 2402, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2672 was adopted and S.B. No. 2402, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2673 (S.B. No. 2906, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2673 was adopted and S.B. No. 2906, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DEPARTMENT OF PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2674 (S.B. No. 2966, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2674 was adopted and S.B. No. 2966, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL INJURIES COMPENSATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2678 (S.B. No. 2657):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2678 was adopted and S.B. No. 2657, entitled: "A BILL FOR AN ACT RELATING TO SHORT TERM INVESTMENT OF COUNTY MONIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 616, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 616, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1800, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, H.B. No. 1800, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CASH MANAGEMENT OF STATE FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2683 (S.B. No. 2808, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2683 was adopted and S.B. No. 2808, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSAL SERVICE FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2691 (S.B. No. 105, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2691 was adopted and S.B. No. 105, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A COMMISSION ON ENDANGERED PLANTS AND ANIMALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2692 (S.B. No. 1559, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2692 was adopted and S.B. No. 1559, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2694 (S.B. No. 2229, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2694 was adopted and S.B. No. 2229, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION LICENSE PLATES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2698 (S.B. No. 2875, S.D. 2):



On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2698 was adopted and S.B. No. 2875, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2701 (S.B. No. 2739, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2701 was adopted and S.B. No. 2739, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF FINES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2702 (S.B. No. 2849, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2702 was adopted and S.B. No. 2849, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTE SALES TO MINORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2234, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 2234, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION OF SERVICES PERFORMED BY A RELATED ENTITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2450:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 2450, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2738, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 2738, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE WARRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1273, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Baker and carried, S.B. No. 1273, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VICTIMS OF SEXUAL ASSAULT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 785, S.D. 1:

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, S.B. No. 785, S.D. 1, entitled: "A BILL

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

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

Stand. Com. Rep. No. 2718 (S.B. No. 2297, S.D. 2):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2718 was adopted and S.B. No. 2297, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2719 (S.B. No. 2761, S.D. 2):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2719 was adopted and S.B. No. 2761, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTORCYCLE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2720 (S.B. No. 1384):

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, Stand. Com. Rep. No. 2720 was adopted and S.B. No. 1384, entitled: "A BILL FOR AN ACT RELATING TO MOTORCYCLE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1946, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 1946, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF MEDICINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2037, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2037, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2409, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2409, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2469, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2469, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM SECURITIES ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2482:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2482, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2575, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2575, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2633, S.D. 1:

By unanimous consent, action on S.B. No. 2633, S.D. 1, was deferred until later on the calendar.

S.B. No. 2640, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2640, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPY PRACTICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2644, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2644, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEAUTY CULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2829:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2829, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REPAIRS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2838, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2838, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2958, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2958, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PLATINUM JEWELRY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3137, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 3137, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3143, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 3143, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UTILITY TRANSMISSION LINES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2749 (S.B. No. 1587, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2749 was adopted and S.B. No. 1587, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WASTEWATER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2751 (S.B. No. 2582, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2751 was adopted and S.B. No. 2582, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2754 (S.B. No. 2778, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2754 was adopted and S.B. No. 2778, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO POOLED INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2755 (S.B. No. 2861, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2755 was adopted and S.B. No. 2861, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR EMERGENCY MEDICAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2756 (S.B. No. 2862, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2756 was adopted and S.B. No. 2862, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HEALTH ADULT MENTAL HEALTH DIVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2760 (S.B. No. 2204, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2760 be adopted and S.B. No. 2204, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Metcalf requested the following remarks be inserted into the Journal:

"Mr. President, I rise to speak in favor of S.B. No. 2204, S.D. 2, A Bill for an Act Relating to Regulatory Processes.

"This bill seeks to implement recommendations of the Economic Revitalization Task Force convened by you, the Governor, and the Speaker of the House.

"I believe we all recognize the need to take positive and constructive steps to improve Hawaii's business climate. Businesses have described the lengthy and indeterminate time required for business and development-related regulatory approvals, and the duplicative nature of the approval process as areas that require immediate attention.

"This bill seeks to address these issues by improving the state's regulatory climate. Specifically, the bill requires agencies to establish rules that set specific time frames for the approval process on any application for business or development-related permits, licenses, and other required approvals.

"Proponents of this bill noted that applications for permits, licenses, and other required approvals that are not acted upon in a timely manner add considerable costs to doing business in Hawaii. Establishing time frames for the approval process will compel agencies to among other things:

- (1) Prioritize the permitting and approval process; and
- (2) Streamline and eliminate any requirements for unnecessary application information.

"I would like to note that these time frames are goals that agencies must work towards rather than 'maximum' time limits.

"In seeking to streamline the approval process for these types of applications, the bill still allows for the continued safeguard of legitimate review and public comment on environmental concerns, as we are mindful of the importance of preserving our unique environment.

"This bill will serve to provide all parties a greater level of certainty in the time required to have an application reviewed by an agency and obtain a final determination.

"Mr. President, I believe that this bill provides for substantive changes in these processes and in doing so, sends a strong signal of the state's genuine intent to:

- (1) Improve its overall regulatory climate; and
- (2) Streamline government operations."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2760 was adopted and S.B. No. 2204, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REGULATORY PROCESSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2770 (S.B. No. 3239, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2770 was adopted and S.B. No. 3239, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2771 (S.B. No. 3191, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2771 was adopted and S.B. No. 3191, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LOW INCOME HOUSING TAX CREDIT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 9:54 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:08 o'clock a.m.

There being no objections, consideration of the following Senate bills was advanced to consider the offering of floor amendments:

At 10:09 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:10 o'clock a.m.

S.B. No. 2736, S.D. 1:

Senator Chumbley moved that S.B. No. 2736, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Chumbley then offered the following amendment (Floor Amendment No. 1) to S.B. No. 2736, S.D. 1:

SECTION 1. Senate Bill No. 2736, S.D. 1, is amended by amending section 707-730, Hawaii Revised Statutes, as amended by Section 2 of the bill to read as follows:

"SECTION 2. Section 707-730, Hawaii Revised Statutes, is amended to read as follows:

"§707-730 Sexual assault in the first degree. (1) A person commits the offense of sexual assault in the first degree if:

- (a) The person knowingly subjects another person to an act of sexual penetration by strong compulsion;
- (b) The person knowingly subjects to sexual penetration another person who is less than fourteen years old; or
- (c) The person knowingly subjects to sexual penetration another person who is at least fourteen years old and under eighteen years old; provided that the actor is at least five years older.

[provided this paragraph] Paragraphs (b) and (c) shall not be construed to prohibit practitioners licensed under chapter 453, 455, or 460, from performing any act within their respective practices.

- (2) Sexual assault in the first degree is a class A felony."

Senator Chumbley moved that the amendment be adopted, seconded by Senator Matsunaga.

Senator Chumbley rose in support of the floor amendment and said:

"Mr. President, last year, your Committee on Judiciary heard and held a measure establishing a 'statutory rape' law raising the age of consent to 16, because of concerns raised about

limiting access to family planning and related health care services for consenting sexually active teens. During the interim, research was done and we found that statutory rape laws are found in other states but have been passed by narrowing the focus to teens who may be coerced into sexual relationships by older adults.

"Thus, in S.D. 1, we attempted to address the concerns about sexually active consenting teens and the older predator individual by recommending that for persons age 14 and above, if the actor was five years older, then the actor could be charged with first degree sexual assault. Unfortunately, we didn't take into account that this should only apply to persons age 14 to 17, because once the victim is 18, the other elements of sexual assault offenses should apply.

"Upon the recommendation of our Senate Majority Attorney, I am recommending that we adopt the floor amendment to assure that we are only addressing sexual relationships of teens between the ages of 14 and 17 with persons who are at least five years older, whether the act was consensual or not.

"I urge all the members to support this amendment."

The motion to adopt Floor Amendment No. 1 was put by the Chair and carried.

By unanimous consent, S.B. No. 2736, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SEXUAL ASSAULT," was placed on the calendar for Third Reading on Thursday, March 12, 1998.

### SECOND READING

Stand. Com. Rep. No. 2680 (S.B. No. 2363, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2680 be received and placed on file, seconded by Senator Fukunaga.

Senator Baker rose and explained:

"Mr. President, the committee report is in error. It recommends that this measure be passed on Third Reading. However, the bill has not yet passed Second Reading. Therefore, we need to separate the committee report so that we may continue to consider this measure."

The motion was put by the Chair and carried.

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 2363, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FEES," passed Second Reading and was placed on the calendar for Third Reading on Thursday, March 12, 1998.

### THIRD READING

S.B. No. 2727, S.D. 1:

Senator Baker moved that S.B. No. 2727, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker then offered the following amendment (Floor Amendment No. 3) to S.B. No. 2727, S.D. 1:

SECTION 1. Senate Bill No. 2727, S.D. 1, is amended by amending section 245-3, Hawaii Revised Statutes, as amended by Section 3 of the bill to read as follows:

"SECTION 3. Section 245-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Every wholesaler or dealer, in addition to any other taxes provided by law, shall pay for the privilege of conducting business and other activities in the State an:

(1) Excise tax equal to:

(A) 4.00 cents for each cigarette sold, used, or possessed by the wholesaler or dealer, after August 31, 1997; and

(B) 5.00 cents for each cigarette sold, used, or possessed by a wholesaler or dealer after June 30, 1998,

whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer; and

(2) Excise tax equal to forty per cent of the wholesale price of each article or item of tobacco products sold by the wholesaler or dealer, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer.

Where the tax imposed has been paid on cigarettes or tobacco products which thereafter become the subject of a casualty loss deduction allowable under chapter 235, the tax paid shall be refunded or credited to the account of the wholesaler or dealer. In applying the tax[,] to tobacco products, the tax shall be applied against the latest of the activities of selling, using, or possessing[,] the tobacco products. The tax shall be imposed at the time of the last of the following activities to occur: the sale; the use; or the possession of [cigarettes or] tobacco products. The tax shall be applied to cigarettes through the use of stamps and meter impressions."

Senator Baker moved that the amendment be adopted, seconded by Senator Fukunaga.

Senator Baker rose to speak on the floor amendment as follows:

"Mr. President, Floor Amendment No. 3 would effectuate the actions of your Committee on Ways and Means in moving this measure forward. The intent of the committee, as announced at decision making, was that the second phase of the cigarette tax would not be repealed but would go into effect, as contemplated by previous legislatures, on July 1, 1998. Unfortunately, the bill that was decked has moved the effective date of the tax increase back to January 1, 1999. This amendment returns the bill to the original Ways and Means position and current law."

Senator Fernandes Salling then said:

"Mr. President, just a clarification because this was from last year's committee.

"So, the tax that we imposed last year will go into effect as planned, and we've made a lot of those groups that came in and testified in opposition to the original bill happy then?"

Senator Baker responded:

"Yes, Senator, that is correct."

Senator Fernandes Salling continued:

"And the second question would be, then the only other provision that is new to this bill would be dealing with these stamped and metering sections?"

Senator Baker responded:

"That is correct, Senator."

The motion to adopt Floor Amendment No. 3 was put by the Chair and carried.

By unanimous consent, S.B. No. 2727, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," was placed on the calendar for Third Reading on Thursday, March 12, 1998.

At 10:16 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:18 o'clock a.m.

Stand. Com. Rep. No. 2753 (S.B. No. 2774, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2753 be received and placed on file, seconded by Senator Fukunaga and carried.

Senator Baker moved that S.B. No. 2774, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker then offered the following amendment (Floor Amendment No. 4) to S.B. No. 2774, S.D. 2:

SECTION 1. Senate Bill No. 2774, S.D. 2, is amended by amending the second and third new sections of section 5 to read as follows:

**"§103D- Preference for qualified community rehabilitation programs.** When a governmental agency contracts for purchases of services, a five per cent preference shall be given to services to be provided by nonprofit corporations or public agencies operating qualified community rehabilitation programs in conformance with criteria established by the department of labor and industrial relations pursuant to chapter 91; provided that contracts awarded under this section shall be exempt from the wages provision of section 103-55. The policy board shall adopt rules under chapter 91 to establish the preference for nonprofit corporations or public agencies operating qualified community rehabilitation programs consistent with this section.

**§103D- Purchases from qualified community rehabilitation programs.** (a) Any public agency, without advertising or calling for bids, may purchase goods or services provided by qualified community rehabilitation programs serving persons with disabilities that have indicated an interest in supplying the goods or services, and on an equitable basis may apportion the business among the interested programs; provided that the goods and services meet the specifications and needs of the purchasing agency and are purchased at a fair market price as determined by the appropriate public agency; and provided further that the programs comply with the following:

- (1) Meet all of the requirements of a qualified community rehabilitation program under section 103D-1001; and
- (2) Maintain a disabled to non-disabled employee ratio equal to or in excess of three-to-one for work hours of direct labor at all times on the work contracted.
- (b) The purchasing agency shall:
  - (1) Receive and review proposals submitted by qualified community rehabilitation programs to provide goods or services, and determine if they are suitable for purchase by the agency;
  - (2) Negotiate the conditions and terms for the purchase, including the price of the offer, between the agency and the qualified community rehabilitation program; provided that the price of the offer shall not exceed the fair market price and there is assurance that the qualified community rehabilitation program proposal is in compliance with all administrative rules related to purchasing; and
  - (3) Ensure that any good or service purchased from a qualified community rehabilitation program shall not be placed on the Hawaii products list under section 103D-1002."

Senator Baker moved that the amendment be adopted, seconded by Senator Fukunaga.

Senator Baker then stated:

"Mr. President and members, this amendment will effectuate a correction in the measure that was passed by Senate Ways and Means. It was not the committee's intent to reinsert the word 'construction' in Sections 2 and 3 of the new Section 5 of the

bill as listed below. The amendment before you is exactly how the measure came from subject matter and the committee's intent was to keep the amendments made by the subject matter committee. This amendment will return that bill to that particular form. Thank you."

The motion to adopt Floor Amendment No. 4 was put by the Chair and carried.

By unanimous consent, S.B. No. 2774, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was placed on the calendar for Third Reading on Thursday, March 12, 1998.

Stand. Com. Rep. No. 2762 (S.B. No. 3201, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2762 be adopted and S.B. No. 3201, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto then offered the following amendment (Floor Amendment No. 2) to S.B. No. 3201, S.D. 2:

SECTION 1. Senate Bill No. 3201, S.D. 2, is amended by amending the last paragraph of Section 1 of the bill to read as follows:

"The time has come to make hard choices. Few other measures to reduce or eliminate unnecessary government expenditures are as obvious, justifiable, and compelling as eliminating duplication in providing highway and road maintenance and parks services. The purpose of this Act is to require the governor and the mayors of the respective counties to develop a viable process to eliminate duplication of government services at the state and county levels with respect to highway and road maintenance and parks services."

SECTION 2. Senate Bill No. 3201, S.D. 2, is amended by amending Section 2 of the bill to read as follows:

"SECTION 2. (a) The governor and the mayors of the respective counties, with respect to highway and road maintenance and parks services at both the state and county levels, shall:

- (1) Identify specific functions, programs, services, and personnel that are duplicative and unnecessary;
- (2) Develop a viable process to eliminate duplication of government services;
- (3) Select a specific approach including, but not limited to:
  - (A) Wholesale transfer of all jurisdiction, responsibility, programs, services, personnel, and funding to one government level only;
  - (B) Rational consolidation of functions, programs, services, and personnel if a wholesale transfer under subparagraph (A) is not feasible;
  - (C) Wholesale transfer, as in subparagraph (A), supplemented by privatization of services;
  - (D) Rational consolidation, as in subparagraph (B), supplemented by privatization of services; and
  - (E) Elimination of government jurisdiction and replacement with privatization of services;

provided that any duplicative but filled positions identified shall be terminated either by attrition or other means and all unfilled positions relating to the provision of highway and road maintenance and parks services, as of the effective date of this Act, shall remain unfilled and terminated.

(b) The governor and the mayors of the respective counties shall submit a final plan in writing, including any necessary proposed legislation, to the legislature not later than November 30, 1998.

(c) The final plan, including any necessary proposed legislation shall eliminate duplicative services but shall not diminish, abridge, or eliminate any of the currently existing services relating to highways, public and private roads, and parks, whether provided by the State or counties."

SECTION 3. Senate Bill No. 3201, S.D. 2, is amended by deleting section 3 of the bill.

SECTION 4. Senate Bill No. 3201, S.D. 2, is amended by renumbering and amending Section 4 of the bill to read as follows:

"SECTION 3. This Act shall take effect upon its approval."

Senator Sakamoto then moved that Floor Amendment No. 2 be withdrawn, seconded by Senator Kawamoto and carried.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2762 was adopted and S.B. No. 3201, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DUPLICATION OF GOVERNMENT SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Aki, McCartney).

**MATTER DEFERRED FROM EARLIER ON THE CALENDAR**

**THIRD READING**

S.B. No. 2633, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2633, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY APPRAISALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Iwase, Solomon). Excused, 2 (Aki, McCartney).

**THIRD READING**

S.B. No. 1081, S.D. 1:

Senator Tanaka moved that S.B. No. 1081, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Anderson rose in opposition and stated:

"Mr. President, I'll be voting 'no' on this particular measure even though it says 'repeals the exemption of employees.' When I read the bill, it was rather vague. If I owned a few acres or a few hundred acres, I couldn't even hunt on my own property. And that's the way that I happened to read the bill and for those reasons I will be going 'no' because I don't think it will be fair.

"Thank you."

The motion was then put by the Chair and carried, S.B. No. 1081, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION AND RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Anderson). Excused, 2 (Aki, McCartney).

S.B. No. 2771:

Senator Tanaka moved that S.B. No. 2771, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak against the measure as follows:

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

"While the milk industry continues to want the government to regulate them and set prices, what we've seen is that the more regulation we've had, the less milk we've had. I think this is a bad bill. It's a bad precedent. I think the industry should be helped in other ways by improving the business climate and not by regulating prices. So, I will be voting 'no.'

"Thank you, Mr. President."

The motion was then put by the Chair and carried, S.B. No. 2771, entitled: "A BILL FOR AN ACT RELATING TO MILK," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Aki, McCartney).

S.B. No. 2772, S.D. 1:

On motion by Senator Tanaka, seconded by Senator Taniguchi and carried, S.B. No. 2772, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PORK," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 9 (Bunda, Fernandes Salling, Ige, M., Iwase, Kawamoto, Sakamoto, Slom, Solomon, Tanaka). Excused, 2 (Aki, McCartney).

S.B. No. 2773, S.D. 1:

Senator Tanaka moved that S.B. No. 2773, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Slom opposed the measure as follows:

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

"This is a bill that would introduce a live snake, specifically a sterilized male snake, into Hawaii for the purpose of updating the nose techniques of our dogs here. I think it's a bad precedent. We're spending all this money and all this effort to keep live snakes out of this state. It might be cheaper if we sent our dogs down to Guam to update their education there.

"Thank you, Mr. President."

At 10:26 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:35 o'clock a.m.

Senator Solomon also rose in opposition and stated:

"Mr. President, I rise to speak in opposition.

"Mr. President, when I chaired your Committee on Higher Education, I had the opportunity to visit Guam and I took an extensive tour of the snake farm facility. They have an excellent facility down there, Mr. President. They know how to train dogs and the people who handle the dogs for detection of the snakes. I feel very strongly that that is where we should be sending our dogs to be trained.

"I adamantly oppose entry of any kind of snakes, Mr. President, into Hawaii. These snakes are extremely dangerous. As a matter of fact, when you check into any hotel, they tell you a horror story. The snakes can sneak through your air vents, through your toilet -- they tell you to keep your toilet lids down in your hotel rooms. Not only that, Mr. President, there have been reports that they not only eat birds and so on and so forth, they also attack babies.

"My concern is, Mr. President, What is the whole plan? Is it to be one sterile snake this year, two sterile snakes next year?

What is the complete program? I think that we should definitely have a policy of how we are going to handle this.

"I had the honor to be one of the first legislators, when I chaired your Committee on Agriculture, to deal with this issue. The problem is really with the military bases in the State of Hawaii because their cargoes are not inspected properly when they arrive from Guam.

"So, Mr. President, I really urge my colleagues to think again. We don't want to be in a situation where Hawaii becomes a birdless paradise.

"I know everyone is chuckling and saying, 'Gee, one snake.' Well, to me, any legislation we pass sets a precedent. It sets a policy of what this Legislature feels is important.

"And with that, Mr. President, I'm urging all my colleagues to vote 'no.' Thank you."

Senator Levin rose in support of the measure and stated:

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

"I really appreciate the comments from the Senator from Kohala and the concerns expressed, but I do want to make sure that we don't unduly panic the populace. What we actually are doing with this bill is amending a statute that already allows a couple of snakes into Hawaii for placement in the zoo. So instead of two snakes being allowed in the state, there would now be three. I think with the provisions put into the bill to protect against escape and to protect against procreation, I think we will be adequately protected.

"I certainly share the Senator's concerns for the environment and for the bird population, but I think we'll be quite safe if this bill passes.

"Thank you."

Senator Iwase rose to speak against the measure as follows:

"Mr. President, I'm rising to speak against this bill.

"I'd like to incorporate the comments of the Senator from Kohala, on the Big Island, as though they were my own. The only thing I would like to say is I believe they probably had this debate about one coming in when we talked about the mongoose, and now they're all over the state. (Mongee or whatever they are now.) I don't know what they are now, but it's more than one. (Laughter.)

"Thank you, Mr. President."

Senator Metcalf then said:

"Mr. President, the proper terminology is mongooses." (Laughter.)

Senator Fernandes Salling then rose and said:

"I have a question for the Senator who chairs the committee that voted in favor, which is Senator Taniguchi. I understand Senator Tanaka voted against it.

"Senator Taniguchi, Did the committee look at, perhaps, sending these people and the dogs down to Guam and how much that would cost? And in light of what Senator Levin said, Are those snakes in the zoo sterilized also? Otherwise, we may have a real problem."

Senator Taniguchi responded:

"Mr. President, I yield to Senator Fernandes Salling's question.

"The reason why they wanted the one snake into Hawaii was because of the costs involved in sending the dogs down to Guam. I don't know the exact cost; it wasn't mentioned at the hearing. But I guess what they do now is, they use a dead snake for its smell and basically they need the smell of a live snake to train the dogs here in Hawaii."

Senator Fernandes Salling then said:

"Thank you, Senator Taniguchi. Perhaps Senator Levin would be able to answer this. The two snakes that are already at the zoo, are they sterilized? This is serious because snakes and animals get out of zoos and we have one sterilized, which I can see the need for, and the cost is too prohibitive to send dogs down to Guam, but if we have two already in the zoo that are not. Do you know the answer to that, Senator?"

Senator Levin responded:

"Mr. President, no, I don't know the answer. Thank you."

Senator Fernandes Salling then said:

"Pardon me, I missed that."

Senator Levin responded:

"I don't know whether they are sterile or not."

Senator Fernandes Salling then added:

"They are treated humanely, did you say? I'm so happy to hear that. Thank you."

Senator Solomon rose again and stated:

"Mr. President, in response to the chairman of Economic Development and Agriculture.

"Mr. President, you could easily make an arrangement with the military. They would be very glad to transport our people from Hawaii to go to Guam and pick up the expenses because they were very, very open when we had discussed this matter ten years ago as to what we were going to do about these brown snakes coming to Hawaii. So, as far as the cost being prohibitive, that is baloney. You can easily work that out with the military. They could provide transportation. They could provide accommodations. We have a great working relationship with the University of Guam that our College of Tropical Agriculture works with. There's faculty housing there. I'm sure we could work something out. So I don't see what the problem is.

"Again, I'm urging my colleagues to be careful, this is very serious. Maybe one day you should all go to Guam. It's devastating! The snakes climb up utility poles and cause shortages. So, as far as I am concerned, Mr. President, I feel we should have no snakes in Hawaii. Also, maybe we should sterilize those snakes in the zoo. Maybe that is something we should consider, instead of using our valuable resources from DLNR, hunting snakes in the forests in case the snakes become established.

"Mr. President, I'm again urging my colleagues to vote 'no.'"

The motion was then put by the Chair and carried, S.B. No. 2773, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 16. Noes, 8 (Bunda, Fernandes Salling, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka). Excused, 1 (Aki).

Stand. Com. Rep. No. 2440 (S.B. No. 2225):

Senator Baker moved that Stand. Com. Rep. No. 2440 be adopted and S.B. No. 2225, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon rose in opposition to the measure and stated:

"Mr. President, I'm rising to speak against this bill.

"Mr. President, I'm voting 'no' on principle. I feel that in times of economic crisis, we should be looking at special revenue bonds to be used for the purposes that directly impact our economy and I feel that this bill has no economic reality.

"I'm very concerned, also, because I do not want to set a precedent. As you know, for the 18-plus years that you and I have served in this Legislature, we've had many Hawaiian groups, Mr. President, come in and ask us for this consideration. They want to be able to worship in their heiaus. They want to be able to restore their heiaus as a place for meditation, healing, spirituality, ancient mysteries, metaphysics, and of course, all this ties in with world peace.

"So, Mr. President, I'm just warning my colleagues, if you vote for this bill, expect other groups to be here asking for the same consideration. I'm very concerned because we have denied our Hawaiian groups and we forced them to go to court. Remember that, colleagues, under religious freedom.

"So, again, Mr. President, I am asking my colleagues to think about this, think about the precedent we're setting, and what this is going to bring for us in the coming sessions. Again, I'm asking my colleagues to vote 'no.' Thank you."

Senator Baker rose to support the measure and stated:

"Mr. President, I rise in support of this measure.

"I respectfully disagree with my colleague from Kohala. I believe she misinterprets the bill. This is an economic development measure. It is a TV and film studio that is in the planning stages to be located in the research and technology park on Maui. It will bring not only jobs to the island, but it brings training opportunities and opportunities to promote Hawaii in different ways.

"It is consistent with what we have done in the past. We authorized special purpose revenue bonds for another manufacturing facility enterprise dealing with film products. This happens to be a TV studio. As with all other special purpose revenue bonds, the amount does not go against the ceiling of the state. This state is not the guarantor. It simply offers the user of the revenue bonds an opportunity to get a better rate. The user of the bonds still has to do the due diligence and has to prove to the lending institutions that they have the ability to repay the debt.

"I believe this measure has merit. The TV station offers an opportunity for economic growth on the Island of Maui and I ask my colleagues to move this measure forward. Thank you."

Senator Solomon responded as follows:

"Mr. President, I rise in response to the chairwoman of the Ways and Means Committee.

"I don't know, Mr. President, in my memory, if we ever floated special revenue bonds to help a private company create a film studio. And if you can correct me, that's fine. But I do know that we do have a film studio that's in operation, sitting right here on the Island of Oahu. And if you recall, Mr. President, you were part of that history when we felt that that film studio should have been located on any of the neighbor islands. We were defeated on this matter.

"Now I understand that that film studio is now struggling along. It's sitting there looking for job opportunities to create films. So it's sitting right there, already built, ready to roll. I can't understand why these people who are interested in doing this and if they're located on Maui, why they can't fly to Oahu, put these projects together, and enlighten us on environmental awareness, spirituality, health and healing.

"Mr. President, I want to state for the record that I'm not opposed to these concepts. As a native Hawaiian, I'm very much in support of these concepts, but I just feel that we already have a facility here that can be used for these purposes. I really do not feel that we should set this kind of precedent for these kinds of reasons when we, in fact, can already take care of them adequately right now. Tomorrow, they can go there and start filming.

"Thank you, Mr. President."

Senator Baker rose in response to the previous speaker:

"Mr. President, just to respond to the Senator from Kohala.

"This body, in fact this Legislature, authorized special purpose revenue bonds for Elephant TV several years ago. That was an attempt to bring some additional film production -- not in a studio format -- to the islands so the use of special purpose revenue bonds is very consistent.

"What special purpose revenue bonds do is allow private projects with a public purpose to obtain favorable financing. Special purpose revenue bonds have been authorized for utilities, health care facilities, and manufacturing processors. The purposes are set forth in the measure and are consistent with the statute.

"Thank you, Mr. President."

Senator Slom then rose in opposition and stated:

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

"I think what this last discussion has identified is that maybe we should take a much closer look at the purposes of the special purpose revenue bonds and the state's involvement in private enterprises. I don't think the state should be involved in them, and I don't think that a careful reading of this measure falls within the compliance part of health, education, or the general welfare.

"In addition to that, though I think it's important because I sat through the hearing on this bill and we were talking about a 24-hour television network to increase the public's consciousness and awareness in spirituality, again things that I think we can all applaud, but I think rather than giving special purpose revenue bonds in the amount of \$10 million to one company, I think we could raise everybody's consciousness by lowering the taxes, removing burdensome regulations, and improving the business climate.

"Thank you, Mr. President."

Senator Sakamoto also rose to speak against the measure as follows:

"Mr. President, I also rise in opposition.

"Although the bill may create a limited number of jobs, the bill states it's a commercial television station. If the purported interest is to create a film studio, then maybe it should be a studio open to more than one user. But as far as what I think, what we need to do is, we need to lower the barriers and let government get out of the way. Maybe the state obligation doesn't get raised, but certainly the taxpayers will still stand to be guarantors.



"If this station can be commercially feasible, they can get commercial loans. They can get people who are interested in their products and let it be private enterprise that does the work. Let the government do what the government needs to do best, especially in these dire times -- especially in these dire times, Mr. President.

"Thank you."

Senator Fernandes Salling then rose and said:

"Mr. President, I'm reading the bill itself, Senator Baker, and maybe you can answer. It requires 'establishing a 24-hour a day television network and facility on Maui, to expand the consciousness and spirituality of the general public' and 'is planning, and is likely to inspire a surge of new businesses' (which is great) 'based on meditation, environmental awareness, spirituality, health and healing, exercise, nutrition, multiculturalism, metaphysics, ancient mysteries, and world peace.' So, I'm a little confused. It says a 24-hour a day television network, but you mention that it is to provide a film studio. I'm not up on film studios and networks and all of that, perhaps Senator McCartney could assist, but my reading of it is a 24-hour a day television network for those purposes, and that we're issuing an amount in special purpose revenue bonds, \$10 million. Could you clarify that? Is it a network television or is it a film studio? And am I correct in the reading of it? It's more for the spirituality, meditation, consciousness, and \$10 million for those purposes?"

Senator Baker replied:

"The Senator from Kauai has asked what the purpose of this facility would be. It would be a television network originating from the Island of Maui. They propose to construct the facility in the research and technology park. It would create programming. It would train persons in video and television and tape. It would create films there -- perhaps film is the wrong word, it's video, it's live broadcast, it's programming. It would be promoting Hawaii. It would operate 24 hours. It would provide some opportunities for the film and television industry that has begun in this state.

"With regard to the issuance of special purpose revenue bonds, the state does not issue them. The SPRBs are not a state obligation. The authorized entity must pass a due diligence and prove an ability to repay the bonds. The state does not pay for them. There is no backing from the state. The taxpayers are not on the hook. If the company cannot prove to the lending institutions that the project has merit, then the project obviously does not go forward.

"Authorizing special purpose revenue bonds is an opportunity for us to assist a company who has asked for assistance to get financing for the project. This project would offer an economic benefit to the island of Maui and our State. I believe support in the form of an SPRB authorization is appropriate.

"Thank you."

Senator Fernandes Salling continued:

"Just a quick mention.

"All of that sounds very good, but as I read it, it would be for the purposes set out in the bill that I read previously. Is that correct?"

Senator Baker answered: "Yes."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2440 was adopted and S.B. No. 2225, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST

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

Ayes, 15. Noes, 9 (Anderson, Bunda, Fernandes Salling, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka). Excused, 1 (Aki).

Stand. Com. Rep. No. 2442 (S.B. No. 2820):

Senator Baker moved that Stand. Com. Rep. No. 2442 be adopted and S.B. No. 2820, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon then rose to speak on the measure as follows:

"Mr. President, I just have a question. Although I sit on the committee, I just have a question to the chairman. Whichever chairman would like to answer, that's fine with me.

"I just would like to ask -- I don't know if the Ways and Means Committee would like to answer, or the subject matter committee would like to answer -- but the question is, this bill, to me, appears to create two classes of financial institutions, is that true?"

At 10:57 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:06 o'clock a.m.

Senator Solomon continued:

"Thank you, Mr. President, for calling a recess. I did have an opportunity to discuss the matter with the chairmen and I've been satisfied. Thank you very much."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2442 was adopted and S.B. No. 2820, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2443 (S.B. No. 2835, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2443 was adopted and S.B. No. 2835, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE PREMIUM TAXES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2444 (S.B. No. 3134):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2444 was adopted and S.B. No. 3134, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMPUTER AND COMMUNICATION SYSTEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2445 (S.B. No. 3142, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2445 was adopted and S.B. No. 3142, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY WIRELESS TELEPHONE SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2446 (S.B. No. 2236, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2446 be adopted and S.B. No. 2236, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to speak with reservations on the measure:

"Mr. President, I'm going to speak with reservations on this bill for several reasons.

"One, of course, is the use of the special purpose revenue bonds. The second is the fact that in the bill, I can find no entity described that will receive the authorizations from the proceeds of the bill. Thirdly, certainly I realize that our local pork industry has had a great deal of hard times and pork, of course, is very important to Hawaii, both fresh pork and the congressional pork that's sent from Washington. So, while we want to help this industry, I think we should also be aware though that, again, here we are having the state involved in one specific industry and I think that we need overall planning to discourage this in the future.

"Thank you, Mr. President."

Senator Matsunaga rose to support the measure as follows:

"Mr. President, I rise in support of this measure.

"I, too, have reservations about this measure, especially when I heard the Senator from Ka'u and his vegetarian lobbying industry had a beef with this measure. They thought it was pork barrel politics at its worst, but when I looked at the measure closely, I realized that there were meaty issues involved and I think that this body would be chicken not to pass this measure.

"Thank you." (Laughter.)

The Chair remarked:

"That's the best speech so far this session." (Laughter.)

Senator Metcalf then stated:

"I would ask that the good Senator's speech be stricken from the record." (Laughter.)

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2446 was adopted and S.B. No. 2236, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR THE PLANS, DESIGN, AND CONSTRUCTION OF A NEW SLAUGHTERHOUSE FACILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2447 (S.B. No. 3156, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2447 be adopted and S.B. No. 3156, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose and stated:

"With reservations, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2447 was adopted and S.B. No. 3156, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PROCESSING AND INDUSTRIAL ENTERPRISES ON THE ISLAND OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2449 (S.B. No. 3114, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2449 was adopted and S.B. No. 3114, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE RENTAL HOUSING TRUST FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2450 (S.B. No. 3244, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2450 be adopted and S.B. No. 3244, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Anderson rose to speak against the measure as follows:

"Mr. President, I will be voting 'no' on this particular measure.

"The bill requires that the HFDC of Hawaii mail a notice of liquor applications to each dwelling of a housing project. They already have a bulletin board type deal that they can pin a notice on. I think it just becomes more costly for Hawaii Housing to have to mail one to each public housing person who lives within a 500 radius of a new business. We also advertise it in the papers. And I do have a conflict. I used to own a bar and I most certainly would not have wanted to have more people come down to tell me why they didn't want me to go into business.

"For those reasons, I will be voting 'no', Mr. President."

Senator Sakamoto rose to speak with reservations as follows:

"Mr. President, I'd like to speak with reservations.

"Well, the costs aren't known. I asked what the costs were. The costs aren't known. I think we need, as a body, when anything has costs and the issue isn't of dire need at this particular time, we shouldn't move anything forward with costs on issues that are not dire. And we need to be sensitive to the cost. You know, the state is paying the cost; the Housing Trust Fund is paying the cost, blah, blah. Many businesses pay the cost, as well. We need to be very sensitive on what costs are critically important at this time."

Senator Slom added:

"Reservations for me, please, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2450 was adopted and S.B. No. 3244, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Anderson). Excused, 1 (Kanno).

Stand. Com. Rep. No. 2454 (S.B. No. 2622, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2454 be adopted and S.B. No. 2622, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Chun Oakland rose in support of the measure and stated:

"Mr. President, I speak in support of S.B. No. 2622, S.D. 1.

"This establishes the pilot program to assist low income residents in filing for the federal earned income tax credit. Nationwide studies done by economist John Carl Scholz, deputy assistant for tax policy at the U.S. Department of Treasury, indicate that only 75 to 85 percent of those eligible claim the earned income tax credit. If these statistics are true, with the implementation of this EITC pilot program, Hawaii residents could realize a return in federal dollars in the amount of \$12 million to \$23 million. Not only would the estimated 20,000 Hawaii residents who have not filed in the past benefit from this measure, but so would the many businesses who would be patronized by these residents.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2454 was adopted and S.B. No. 2622, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EARNED INCOME TAX CREDITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2455 (S.B. No. 2777, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2455 be adopted and S.B. No. 2777, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto rose to support the measure and said:

"Mr. President, I rise in support of this measure but with reservations.

"Mr. President, if paying new employees on an after the fact basis using electronic transfers is more efficient and cost effective, then I fully support that. But why have two systems? -- one for old employees, one for new employees. This is not efficient. If it's more cost effective and efficient, especially in these times, Mr. President, let's do it for everybody."

Senator Solomon rose to speak on the measure as follows:

"Mr. President, I would also like to note a W/R and I just would like to echo the remarks of the Senator from Moanalua as though they were my own. Thank you."

Senator Slom then rose and stated:

"Mr. President, I, too, will be voting with reservations.

"I echo those sentiments by the Senator from Moanalua and also note that there's no choice provisions in the bill for employees, both older existing employees and new employees, as well. Thank you, Mr. President."

Senator Iwase rose and said:

"Mr. President, W/R. Thank you."

Senator Anderson then added:

"Would you reflect a W/R for me for the same reasons as the Minority Floor Leader. Mahalo."

Senator Tanaka added:

"Mr. President, W/R for me too, please."

Senator Fernandes Salling then rose and said:

"No surprise, another W/R, but I would just like to point out that I think there will be other measures that deal with this same issue where the Senator from Moanalua raises a good point. If we're going to start a process, let's do it from the beginning for all employees. Otherwise there'll be a lot of confusion if you decide for new and for some that have been in the system six months. I think there are more bills dealing with this, and for that reason I'm going to go W/R."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2455 was adopted and S.B. No. 2777, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SALARY PAYMENTS TO NEW EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2459 (S.B. No. 2999, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2459 be adopted and S.B. No. 2999, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Anderson opposed the measure as follows:

"Mr. President, I will be going 'no' on this measure.

"What it does is it states in the bill that for the global effect, we can start using retirement system funds to go out and look more at investing outside. I do know that with Asia the way it is right now, if we had invested our money there, we would be in real trouble. I would fear that we'll not always have a Mr. Stanley Siu, but I would hope that if we're going to do anything, that we would allow the people to watch what we're doing in investments. I think we've been very careful and I think we have to look at what's happening globally and not just say that the investments there might be better than what we have been doing.

"For those reasons, I will be going 'no.'"

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2459 was adopted and S.B. No. 2999, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS OF THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Anderson).

Stand. Com. Rep. No. 2461 (S.B. No. 3002, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2461 was adopted and S.B. No. 3002, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2464 (S.B. No. 2987, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2464 be adopted and S.B. No. 2987, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Chun Oakland rose in support of the measure and stated:

"Mr. President, I speak in support of S.B. 2987, S.D. 2.

"A number of tragic deaths in recent months have focused attention on some of the weaknesses in our Child Protective Service system. Perhaps change at an earlier date may have prevented some of these senseless deaths from occurring. Perhaps not. However, one thing is painfully obvious: something has to be done now in order to ensure that these types of tragic deaths due to abuse and neglect do not happen again. Some may think this is wishful thinking, but as a community we need to commit ourselves to this goal and be steadfast in our work to protect our children.

"Senate Bill No. 2987, S.D. 2, takes a positive step in this direction as it revises the current system of child protection in Hawaii in order to ensure that child abuse and neglect are prevented from happening.

"At its heart, this Senate bill expresses a philosophical change and emphasizes more clearly that family reunification is not the driving force which guides the thoughts, actions, and behaviors of Child Protective Services. Instead, CPS's main goal is to provide a safe home for a child, regardless of whether that safe home be with his or her natural family, adoptive family, or foster family.

"That is not to say that CPS will not do everything within its power, along with the community, to reunite children with their parents. It is just to say that we, as a Legislature and a society, will not allow a child to re-enter a home that is not safe for them. We will not allow another Reubyne Buentipo to live in a vegetative state for the rest of his or her short life.

"Of course, acting upon this course of action will not be as simple as just mandating that child safety be the primary focus of CPS. A number of other concerns must be addressed in order to make the protection of abused and neglected children a reality.

"The Department of Human Services, the Judiciary, and people from all sectors of our community worked in partnership over the past three years and more recently in the few months before this session, through Child Protective Services' roundtable discussions, to formulate suggestions that would improve the state's existing system. Some suggestions are being acted upon by the department and the judiciary without any statutory changes. I have attached these examples to my speech.

"Senate Bill No. 2987, S.D. 2, is necessary in order to further the work begun by the community because it contains other provisions that make positive changes that will help CPS in their efforts to ensure child safety.

"This Senate bill ensures that CPS will be more open, accessible, and communicative with others in the community, thereby strengthening its efforts to safeguard children. It ensures that the Department of Human Services will work with our state court system in order to defend the youngest and most vulnerable citizens of our state. It ensures that physicians will be able to share medical information on a child in CPS without getting parental consent in order to better meet the medical needs of that child. It ensures that all children in CPS system will receive the health insurance coverage necessary to receive appropriate and timely care.

"Nevertheless, regardless of these changes, both the Legislature and the public must not be lulled into thinking that passage of this bill will be a panacea that will solve all of our child protection problems. While the CPS system is responsible for the protection of identified victims of child abuse and neglect, I believe that the critical problem of child

abuse and neglect cannot be left solely to those individuals working in CPS. Each and every one of us must do our part in order to ensure that a child is not beaten into a coma again. Each and every one of us must do our part in order to ensure that every child is given the love, attention, and respect he or she deserves. Each and every one of us must take responsibility and care for our children's physical and emotional well-being.

"Senate Bill No. 2987, S.D. 2, must be seen as part of an integrated community effort to address child abuse and neglect. We, as a society, have to take a multitude of steps to build a child-centered system of care and protection so that child abuse does not occur. I thank the community, I thank my colleagues in the Senate for all having co-introduced the original omnibus CPS bill as well as our colleagues in the House for their unwavering support and concern for the safety and welfare of our state's children.

"Thank you, Mr. President."

The Chair having so ordered, Senator Chun Oakland's insertion of DHS Child Welfare Initiatives is identified as ATTACHMENT "A" to the Journal of this day.

Senator Solomon rose to support the measure and stated:

"Mr. President, I just would like to rise and speak in support. I'd like to congratulate the chairmen of the committee. They did a credible job.

"I want to thank the chairwoman for submitting her remarks. I hope that we will all work conscientiously so that it will not be wishful thinking and that our community needs to commit ourselves to help and protect our children.

"Also, Mr. President, I'd like to incorporate the paragraph in which the co-chairwoman is urging all of us to end our society's senseless cases of child abuse forever. And I would like to reiterate very strongly the paragraph in which the co-chairwoman states that each and every one of us must do our part in order to insure that a child is not beaten into a coma again. Each and every one of us must do our part in order to insure that every child is given love, attention and respect he or she deserves, and each and every one of us must take responsibility and care of our children's physical and emotional well-being.

"I do this, Mr. Chairman, with great respect. When I walked into this building sixteen years ago, this was my first committee, but in those days it was entitled 'Youth and Elderly.'

"So with that, Mr. President, I'm urging all my colleagues to please vote in the affirmative. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2464 was adopted and S.B. No. 2987, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1469, S.D. 1:

Senator Baker moved that S.B. No. 1469, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to speak against the measure as follows:

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

"This is the son of the rainy day fund bill, and I have several problems with it. First of all, I think, more properly, this should have been introduced as a constitutional amendment.

And I have some concern that we have an appointed agency head rather than an elected official who would be responsible for the so-called emergency budget stabilization. In addition to that, the standing committee report states that the bill changes the required majority vote to appropriate funds, lowering it from three-fourths to two-thirds, and I'm unable to find a reference in the bill that actually changes the vote total. I would appreciate a clarification on that.

"Finally, though, if the state has any money left over, particularly in the general fund, I think we should have done what we had done before by constitution, and that is require that the money be refunded to the taxpayers who supplied it.

"Thank you, Mr. President."

Senator Anderson also rose in opposition and stated:

"Mr. President, I'll also be voting 'no,' and the concerns are the same as the Minority Floor leader. And also on checking, there might be some discrepancies by having an appointed agency head rather than an elected official responsible for the emergency fund.

"Thank you very much, Mr. President."

Senator Iwase rose to speak on the measure as follows:

"Mr. President, a W/R. I support the creation of a rainy day fund, but I do have some concerns about an appointed agency head, as well as whether or not it would require a constitutional amendment as opposed to a statutory amendment. So, I have those concerns, but support the fund creation and will vote in support of it with reservations. Thank you."

Senator Baker rose in support of the measure and stated:

"Mr. President, I rise in support of this measure.

"Mr. President, this measure will enable us to demonstrate affirmatively that we grasp the seriousness of the fiscal situation we face. By establishing a rainy day fund we will ensure this situation does not reoccur.

"When the administration came to testify on this measure, they preferred a constitutional amendment, not because that was the only vehicle with which to accomplish this method, but simply because they said it would stress the importance of the fund. However, the administration's representative stated that a rainy day fund could be created without a constitutional amendment. There was no problem with a statutorily established fund. To do so would be a little more complicated. However, we've taken steps in this measure to address those concerns and to soundly establish a rainy day fund without need of a constitutional amendment.

"The other aspect of the constitutional amendment that the administration was proposing was to repeal the excess revenue provisions. Your committee did not believe such a repeal was appropriate. This measure also provides for transfers automatically into the fund and funds can be taken out of the fund only by a vote of the Legislature. I believe these provisions should address the concerns of some of the previous speakers.

"I urge all of my colleagues to vote aye on this measure."

Senator Solomon then added:

"A W/R for me, Mr. President. Thank you."

The motion was then put by the Chair and carried, S.B. No. 1469, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AN EMERGENCY AND BUDGET STABILIZATION FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Anderson, Ige, M., Slom).

Stand. Com. Rep. No. 2469 (S.B. No. 2776, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2469 be adopted and S.B. No. 2776, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto then rose to speak on the measure as follows:

"Much as on the previous bill, this bill, if people don't have their vacation time or sick time but on their time sheet somehow get paid for the whole week, thus getting over-paid, this bill makes a provision for them to get slapped on the hand. I think we need to have one system. If the other bill passes creating two systems and this bill passes, then you'll have people who have at least two incidents that have a lot of different variations, Mr. President. Let's do one system. Let's be efficient. Let's do it now, Mr. President. Let's not play these games."

"Thank you."

Senator Slom then added:

"Please indicate a W/R for me, Mr. President."

Senator Anderson rose and said:

"A W/R for me also, Mr. President. We did say earlier on the pay period that there were a couple of bills. Thank you."

Senator Solomon then added:

"W/R for me, Mr. President."

Senators Iwase and Fernandes Salling then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2469 was adopted and S.B. No. 2776, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SALARY PERIODS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2471 (S.B. No. 2841):

Senator Baker moved that Stand. Com. Rep. No. 2471 be adopted and S.B. No. 2841, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon opposed the measure as follows:

"Mr. President, I rise to speak in opposition.

"Mr. President, just for the simple fact that I understand and I'm very sympathetic to our Insurance Commissioner. I'm sure he has a tremendous task, but I just feel that we really need to adopt a coherent policy regarding how we deal with government attorneys. And I just don't want to see us setting a precedent where we're going to have more and more requests of this sort, because my position has always been that the attorneys are situated in the Attorney General's Office, and different departments should access those services through the Attorney General's Office.

"Thank you."

Senator Sakamoto also rose in opposition and stated:

"I rise to speak in opposition, Mr. President.

"We're asking everybody else to cut positions. We're saying no more exempt positions, and at the same time this measure is giving authority to appoint positions. It doesn't say how many. It's kind of a carte blanche, Mr. President. So, I don't think this is right. I don't think with the hundreds of state workers calling my office saying we have a problem, that we ought to authorize anymore positions.

"Thank you."

Senator Iwase added his remarks in opposition and said:

"Mr. President, for the reason articulated by Senator from Moanalua, I'm casting a 'no' vote. Thank you."

Senator D. Ige rose to support the measure and stated:

"Mr. President, I rise to speak in support of this measure.

"Mr. President, this provision was really supposed to be part of the auto insurance reform bill that we passed last session. The insurance division is grossly overworked in terms of their duty to regulate homeowners, auto, health insurance, and a wide range of insurance that they need to provide. This measure would allow the division flexibility to hire the employees. It also allows them to do a better job of protecting the public interest and insuring reasonable rates for all the citizens of Hawaii.

"I do ask that all of my colleagues support the measure. Thank you."

Senator Anderson rose to speak against the measure as follows:

"Mr. President, I'll be voting 'no' on this particular measure.

"I'd like to note that in the past the attorney general did testify in opposition to similar exemptions in hiring of attorneys for this department, and this time they didn't even show up. So, I do cast a 'no' vote."

Senator Metcalf added his remarks as follows:

"Mr. President, just for the record, members, actually these attorneys are already in place and the requisite language that should have been included in last year's budget to confirm their existence unfortunately was omitted. And this is really a clean-up housekeeping measure.

"The reason why the division does have specialized legal expertise is that, if the members will note, the insurance code takes up virtually one entire volume of the Hawaii Revised Statutes and is very specialized in its nature. And we've had difficulty in the past securing the requisite expertise from the larger Attorney General's Office.

"Thank you."

Senator Iwase then inquired:

"Mr. President, just on a point of inquiry to the Senator from South Hilo on the statement he made that these attorneys are in place. If they are in place, why do we need the statute? Are they legal now or not?"

Senator Metcalf replied:

"The position counts were in place. The language necessary to make them exempt from Chapters 76 and 77 was omitted last year."

Senator Iwase continued to inquire:

"Am I to assume then that the insurance division can create these positions without legislative authorization and come to us to authorize by statute what they've created internally?"

Senator Metcalf answered:

"No, that's not correct. The Legislature created the positions. It just forgot all the conforming language."

Senator Iwase asked:

"Can I ask where we created the position if we're putting it in the statute now? Staff attorney, I'm talking specifically staff attorney for the moment."

Senator Metcalf responded:

"Last year's budget."

Senator Iwase further inquired:

"But they weren't authorized by statute. Maybe the question (we keep going back and forth) is that the question, I guess, I am asking is, we are amending the insurance law to create a position for a staff attorney, is that a prerequisite for us to fund the position? Is that a prerequisite for the insurance commissioner to create the position? Just yes or no."

Senator Metcalf replied:

"The positions were created in last year's budget and were established. The only question is the exempt nature of those positions. Traditionally, attorneys are exempt from Chapter 76 and 77. That was neglected to be placed in last year's budget."

Senator Iwase then said:

"Well, thank you for the answer. Mr. President, I'm still going to be voting 'no.' I used to be with that whole department. They've got a lot of regulations. It's a very important department. It's not always recognized as being very important. It regulates all the licensees, insurance, financial institutions -- Manoa Finance when it went down, Ron Rewald when he was fooling around in Hawaii. They do all kinds of stuff.

"We're cutting back on all of them. It's a time when everybody is being asked to cut back. And now we ought to be asking the insurance division to cut back. And instead of saying that because they have these responsibilities we've got to add people, perhaps another way to look at it is to say that if we do not have the personnel and if we do not have the money, then perhaps the state government ought not be there regulating because we do not have the expertise; we do not have the time; we do not have the personnel. We should stop giving the public a false sense of hope as I think we did when we created this fund insuring state financial institutions, and when they went down, we did not have the money to help the people. And thankfully with Walter Dodds and everyone else coming back with the thrift guaranty program, we were able to make the Manoa people whole. But we had this program and we never helped them because we didn't have the people.

"We've got to stop this and we should stop it and make some hard decisions now. Thank you."

Senator Anderson then added:

"Mr. President, if I may, just to go over some of the remarks made.

"With the staff's giving us a digest, it says 'It restores the exemptions for a better insurance examiner 3 which existed up until July '97 and inadvertently expired, but the bill also permits the insurance commissioner to hire qualified and exempt attorneys.' Now it does two things as far as we're

looking at it and the information that we got. So, I don't think it just takes care of a problem that we forgot to take care of. It also says that they can hire new attorneys. And that's what the attorney general was opposed to in the past -- also exempting the civil service part. But also, this time the AG didn't even come down.

"Thank you."

Senator Sakamoto added:

"Mr. President, just as the Senator from Mililani, Waipahu and Crestview said about the regulation, I believe our governor has talked about facilitate, not regulate. And if indeed the regulations are so voluminous, that is a problem in itself, Mr. President. We need to make the regulations simpler. We need to reduce the regulations. We don't need more attorneys to regulate even more, Mr. President. Let's go in the right direction."

Senator Fernandes Salling then said:

"Mr. President, would you register 'with reservations' for me, please."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2471 was adopted and S.B. No. 2841, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 8 (Aki, Anderson, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka).

Stand. Com. Rep. No. 2480 (S.B. No. 2350, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2480 be adopted and S.B. No. 2350, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom opposed the measure as follows:

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

"I'm all for recycling. I think the intent is good, but what the bill really does is add authority for the counties now to add a new fee or a new tax for recycling, in addition to the tax presently levied by the state.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2480 was adopted and S.B. No. 2350, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Chumbley, Slom).

At 11:39 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:51 o'clock a.m.

Stand. Com. Rep. No. 2482 (S.B. No. 2865, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2482 be adopted and S.B. No. 2865, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator M. Ige rose in opposition and stated:

"Mr. President, I rise to speak against this measure. I voted 'no' in the Ways and Means Committee.

"Mr. President, this issue has been with us for quite some time. Back, I believe, in 1995 a task force was created to oversee, I guess, the movement of patients into the community. And that was back in 1995. We were supposed to come up with the final move, I believe, in 1998, this year. And the original bill by the department asked us to delay the implementation another two years. On one hand, government needs to be accountable. We need to answer to our taxpayers. On the other hand, we need to be sensitive to the needs of our people in the community.

"Mr. President, when you go to the hospital, you'll find that there are 26 patients that live in the institution. They range in ages from 23 to 67. The average age is 40. And they've been there for an average of 20 years.

"Mr. President, I believe we need to make it perfectly clear that if this project cannot work, let's end it here and let's try to do the best we can to provide the service at Waimano Home. If it can proceed, then let us invest our monies to make darn sure that our people that live there are treated in the best way possible, or treated the same way we want to be treated.

"I'm asking and I'm very glad that the chairs of the Health Committee did not agree with the Department of Health to go two years, but to go one year. I'm appreciative of that and I believe the parents of these patients are also very appreciative because they are very anxious to know the future of their siblings in this institution. So, with the 'no' vote, I hope that we will have the courage to fish or cut bait on this issue to provide the very best care for these individuals living at that facility. And, as I've said, I'm hoping that with the cooperation of the Health chairs, we will be able to accomplish that goal.

"Thank you."

Senator Anderson rose to speak with reservations on the measure:

"Mr. President, I have reservations on this particular bill.

"And just a little more than what the Senator from Kaneohe said, I don't think the bill really addresses the real reason for closing the Waimano Training Center. There's no explanation on why they're doing it that's really specific.

"Thank you very much."

Senator Solomon opposed the measure as follows:

"Mr. President, I'm also voting 'no' and I just would like to incorporate the remarks of the Senator from Kaneohe as though they were my own. Thank you."

Senator Iwase added his remarks in opposition and said:

"The same for myself, Mr. President, incorporating the comments of the Senator from Kaneohe. A 'no' vote. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2482 was adopted and S.B. No. 2865, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR DEVELOPMENTAL DISABILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Aki, Ige, M., Iwase, Solomon, Tanaka).

Stand. Com. Rep. No. 2483 (S.B. No. 2970, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2483 be adopted and S.B. No. 2970, S.D. 1, having been read

throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to this bill.

"This bill will give jurisdiction of the noise control at the Convention Center to the County Liquor Commission and the Health Department. Now, after spending \$200 million to build this, wrangling over this facility and spending who knows how many more dollars for this facility, why would we as the state punt this to the County Liquor Commission which may indeed create a problem that we don't want. Why do that? Would you ask your son if it's okay for you to do something, Mr. President?

"Let's take leadership on this matter. Let's use this facility for its intended use. Let's mitigate sound, if we have to, but let's not punt."

Senator Fukunaga rose to support the measure as follows:

"Mr. President, I rise to speak in support of this measure. I would like to respond to the comments made by the Senator from Moanalua.

"This bill attempts to address an inconsistency in our state statutes and county liquor laws that arose during the past nine months. The Attorney General's Office and the City and County Corp Counsel's Office had recommended that the changes be made to the statute to clarify whose jurisdiction was appropriate in liquor licensing and whose responsibility was appropriate under the Department of Health. This measure merely seeks to implement their recommendations.

"For the foregoing reasons, I urge my colleagues to vote in support. Thank you."

Senator Sakamoto then inquired:

"May I ask the Senator from Waikiki for clarification? On the premises, does the liquor license premises mean a particular room, a particular floor, or the whole building? I was under the assumption that the whole facility would be granted a license and that the license would then, in essence, be the whole thing."

Senator Fukunaga responded:

"Mr. President, responding to the prior speaker's question, the Liquor Commission has jurisdiction over the premises that are applied for by the Convention Center Authority. At the present time, the facilities that have been granted a liquor license include all of the facilities with the exception of the rooftop terrace."

Senator Sakamoto then said:

"Then in essence, if it applies to the whole facility, more so, Mr. President, we're saying, then, the Liquor Commission can hold the club, or the mayor or whoever is responsible for the County Liquor Commissioners, over our state convention center. This doesn't make sense."

Senator Anderson rose to speak with reservations on the measure:

"Mr. President, I have some reservations.

"After listening to everybody, we paid millions of dollars on that particular convention center. I don't see a bill that says that we shall put any money into trying to fix the noise situation and having any kind of study done so that you could eliminate that noise.

"The noises are from other businesses over the years, including the Shell. They've worked on them and tried to eliminate them. When we built that particular facility, we should have taken into consideration all of the people that were going to be around there, what type of facility we were building that was going to have a noise factor. And we didn't do that, unfortunately. In fact, they didn't even sit down and talk to me about this, Mr. President. But I do know that we should be able to do that.

"Thank you."

Senator Solomon rose and said:

"A W/R for me, Mr. President, please."

The Chair so ordered.

Senators Iwase, Slom and M. Ige then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2483 was adopted and S.B. No. 2970, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NOISE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Sakamoto).

Stand. Com. Rep. No. 2485 (S.B. No. 2855, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2485 be adopted and S.B. No. 2855, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator D. Ige rose in support of the measure and stated:

"Mr. President, I rise to speak in support of this measure.

"The purpose of this bill is to create an environment in Hawaii that will facilitate and accelerate telehealth projects and services. More specifically, this bill recognizes telehealth services as a reimbursable medical service for mutual benefit societies, health maintenance organizations, and other health insurers and providers.

"Telehealth is defined as the use of telecommunications and information technology to deliver health and healthcare services and information to parties separated by distance. Telehealth does not include services provided by the antiquated telephone or facsimile machine. The miracle of modern telecommunications and computer technology have been combined to reduce the cost and improve the quality of healthcare for the people of Hawaii.

"At the federal level, the Department of Defense has initiated a \$670 million telemedicine project to deliver quality healthcare to military personnel and their dependants across the country and around the world. Our congressional delegation has worked hard to ensure that the Tripler Medical Center is the key hub in the Pacific. Hawaii's share of this project is \$71 million.

"At the local level, the state and the private sector, healthcare providers and telecommunication companies have worked in partnership to deliver quality healthcare across the state, especially to rural and medically underserved communities on the neighbor islands. Shortly, citizens seeking medical services at Maui Memorial, Wilcox, Molokai General, or Hilo Hospital will be able to benefit from the expertise of the best experts and specialists in the state, or the world for that matter, without the expense and inconvenience of leaving their communities. The Weinberg Foundation has donated \$10 million to build a statewide telehealth network that connects all major healthcare facilities across the state. Soon, everyone will have equal



access to the best doctors and specialists in this state, regardless of where they live.

"For the past few years, Mr. President, this administration has been working aggressively to establish Hawaii as the Telehealth Center of the Pacific. This measure moves us a billion light pulses forward in this regard. I urge all of my colleagues to support it.

"Thank you."

Senator Solomon also rose to support the measure as follows:

"Mr. President, I'm also rising to speak in support and also I'd like to note for the Journal that I would like the remarks of the Senator from Pearl City to be incorporated as my own, with special emphasis on how this would benefit all of our rural districts and our neighbor islands. We look forward to be given those opportunities.

"Thank you."

Senator Metcalf rose to support the measure and said:

"Mr. President, I would also like to have the Senator from Pearl City's remarks as well as the Senator from Kohala's remarks inserted into the Journal as my own. Just to note further that this summer in Hilo we did a ground-breaking involving a joint federal, state and private partnership for the construction of a facility that will be devoted to telehealth and the servicing of the Hilo community.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2485 was adopted and S.B. No. 2855, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TELEHEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2489 (S.B. No. 2628, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2489 was adopted and S.B. No. 2628, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2496 (S.B. No. 3123, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2496 was adopted and S.B. No. 3123, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO QUEST," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2502 (S.B. No. 2123):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2502 was adopted and S.B. No. 2123, entitled: "A BILL FOR AN ACT RELATING TO BOARDS OF REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2504 (S.B. No. 2319, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 2504 and S.B. No. 2319, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2510 (S.B. No. 2559, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2510 be adopted and S.B. No. 2559, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto rose to support the measure as follows:

"I rise to speak in support of this bill, Mr. President.

"We need explosives for concrete work, construction work, etc., and apparently there was a problem which this bill attempts to address. The committee report notes that \$19,000 was appropriated but I don't see it in the bill. Last year \$40,000 was needed. Does Senator Kawamoto have the answer?"

"The committee report showed that if we don't have the funds as of June 30, according to the Department of labor, they won't be able to issue permits, and that will be a problem. So, hopefully the budget will include sufficient funds to carry on this necessary work, Mr. President."

Senator Metcalf rose to support the measure and said:

"Mr. President, I have some written remarks in support of the bill and I request it be inserted into the Journal."

The Chair having so ordered, Senator Metcalf's remarks read as follows:

"Mr. President, I rise in support of S.B. No. 2559, S.D. 2, Relating to Explosives.

"The measure before us is intended to relieve the Department of Labor and Industrial Relations of the responsibility for regulating the manufacture, storage, and transport of explosives.

"The measure also:

1. Extends the regulation of explosives by the Department of Labor and Industrial Relations to specifically include corporations, partnerships, associations, association of dealers, and other forms of business enterprise;
2. Requires all persons, including dealers, to obtain a certificate of fitness from the department in order to store, deal in, or possess explosives;
3. Repeals the requirement that a person obtain a permit from the department in order to purchase, deal in, sell, or deliver explosives;
4. Repeals the authority of the governor to purchase, seize, and hold all explosives possessed or controlled by other persons during times of national emergency of crisis; and
5. Exempts state and county police and fire departments from the requirement of having to possess certificates of fitness.

"Without this measure, the issuance of permits for the constructions of important public projects will come to a standstill come June 30 of this year, adversely affecting Hawaii's economy in a serious way at a time when economic revitalization is of prime importance."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2510 was adopted and S.B. No. 2559, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO

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

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2511 (S.B. No. 2910, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2511 was adopted and S.B. No. 2910, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2513 (S.B. No. 2340, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2513 be adopted and S.B. No. 2340, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Iwase rose to speak with reservations on the measure:

"Mr. President, I'm rising to speak with reservations on this bill which creates licensing for marriage and family therapists.

"The reason for my reservation, Mr. President, is we'll be taking up a bill later, S.B. No. 3232, which would abolish all boards and commissions but allow the Department of Commerce and Consumer Affairs to regulate. And although this bill doesn't create a new board, I think what we want to do, and we should be doing, is to look at those types of areas that we should regulate and what we want to regulate. And this bill merely adds another licensing area and we really have not applied, I think, that kind of philosophical view of what we should regulate.

"Secondly, in reading the bill, I think the bill should have been more carefully crafted in terms of what this area is all about. They're talking about marriage and family therapy practice and it means the application of psychotherapeutics and family system theories and techniques in order to diagnose and treat mental, emotional and nervous disorders. Is that psychology? Is that psychiatry? Is there a conflict? A family, while they do not define psychotherapeutics, it does define the bill family system theories, which is 'a body of research which focuses on understanding the family system and other social systems of the individual as integral to evaluating the etiology ....' I don't see etiology defined in the bill, so I don't know what that means.

"But I just think that this bill is, perhaps, overly broad. It may clash with other licensing areas. Moreover, in defining these terms, there will not be a body of experts there to assist in defining these terms. And I think that's important. And I think that's the value, by the way, of having professionals on boards and commissions. And I'll raise that issue later as we discuss 3232. So for that reason, I'm expressing my reservation.

"Thank you."

Senator Solomon also rose to speak with reservations on the measure:

"Mr. President, I'd also like to register with reservations on this bill. Mr. President, and I'd like to speak in support of the previous remarks that were made by the Senator from Mililani.

"Mr. President, I'd like to add to those remarks. My concern basically is, and I had brought this up in committee when this issue came up last session as to what the impact would be on our insurance costs if we're going to be including these marriage and family therapists. I think that it sets a precedent

in terms of allowing these groups to become part of our other types of insurance that we do mandate by law. And these are great concerns and for that reason, Mr. President, I'll be going with a W/R.

"Thank you."

Senator Sakamoto then added:

"Mr. President, I also rise to speak with reservations.

"This measure creates a new program at a time when we're deleting valuable existing programs, Mr. President. So this is not the time. This measure calls for appointing an administrative assistant and a secretary -- exempt positions. Similar as previously spoken, this is not the time to do that.

"This deals with people calling themselves or advertising as marriage and family therapists. That may be okay. It's a good thing. What if down the road we start regulating people who are just helping people with family and marriage problems? What about lay people at the churches? What about the kupuna in the communities? Is somebody going to start saying, 'You're doing family and marriage therapy. You need to be regulated.' We're not at that point, Mr. President, but this goes down the wrong road. So, strong reservations, Mr. President."

Senator Anderson also added his remarks on the measure:

"Mr. President, I'm going to have some reservations.

"The Senator from Moanalua did such a great job with his explosive deal, I even forgot to vote 'no' on the bill after that. So, this time I was listening and I will vote W/R. I missed out on my public lands. I want you to understand that, Senator."

Senator Slom then said:

"Reservations, please, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2513 was adopted and S.B. No. 2340, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2514 (S.B. No. 3213, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2514 be adopted and S.B. No. 3213, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Tam requested a conflict ruling as follows:

"Mr. President, I rise to declare a possible conflict of interest. In my part-time occupation, I sell life insurance."

The Chair responded: "No conflict, you may vote."

Senator Slom rose to speak against the measure as follows:

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

"The bill was couched in terms of providing continuing education for those in the insurance industry and while the people who testified all testified in favor of it, the bill also contains a provision to double every one of the fees related to those in the insurance profession. There's no justification why the fees are automatically doubled, or the ultimate use of all those fees, nor the fact that if we have more educated insurance

sales people, will that, in fact, result in better insurance or lower premiums?

"Thank you, Mr. President."

Senator Solomon then said:

"A W/R for me, Mr. President."

The Chair so ordered.

Senator Iwase also requested a W/R vote, and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2514 was adopted and S.B. No. 3213, S.D. 2, 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, 23. Noes, 2 (Sakamoto, Slom).

Stand. Com. Rep. No. 2515 (S.B. No. 3024, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 2515 and S.B. No. 3024, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2516 (S.B. No. 3025, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 2516 and S.B. No. 3025, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2519 (S.B. No. 3070, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2519 was adopted and S.B. No. 3070, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2520 (S.B. No. 2258, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2520 be adopted and S.B. No. 2258, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Bunda rose and said:

"Mr. President, reservations for me, please."

The Chair so ordered.

Senators Sakamoto, Slom, Anderson and Solomon then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2520 was adopted and S.B. No. 2258, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2521 (S.B. No. 2746, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2521 be adopted and S.B. No. 2746, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose in opposition and stated:

"Mr. President, I rise to speak against the bill, not because I'm against the intent, but because there is no amount that is specified in the bill, no amount that may be checked off, no limitation. And I think that's a precarious position in our financial times.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2521 was adopted and S.B. No. 2746, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 2523 (S.B. No. 2991, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2523 was adopted and S.B. No. 2991, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A COMMUNITY-BASED INTEGRATED SOCIAL SERVICE PILOT PROJECT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2526 (S.B. No. 2557, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2526 be adopted and S.B. No. 2557, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to speak against the measure as follows:

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

"I think the bill's intent is laudable to indemnify state employees and I think that in most cases this may be justified. But the bill allows the payment, or the protection for punitive damages, and I don't think that the state should ever be in a position where we pay either directly or indirectly through legal fees, amounts for punitive damages for a state employee.

"Thank you, Mr. President."

Senator Sakamoto then said:

"With reservations, Mr. President."

The Chair so ordered.

Senator Fernandes Salling added:

"With reservations, please."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2526 was adopted and S.B. No. 2557, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TORTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Anderson, Iwase, Slom, Solomon, Tanaka).

Stand. Com. Rep. No. 2527 (S.B. No. 2904, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2527 be adopted and S.B. No. 2904, S.D. 1, having been read

throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom opposed the measure as follows:

"Mr. President, I rise to speak against the bill primarily because the bill talks about just compensation for certain persons. And it's my understanding that among the certain persons, which are not identified in the bill, are those that are presently incarcerated. I would like a clarification on that if, in fact, we are providing compensation for those that are prisoners.

"Secondarily, if that is the case, as I am led to believe, there's also no provision in here for an apportionment or joint and several liability portion of the payment to be made so that, for example, if a prisoner gets into a fight or an altercation and is 60 percent or 80 percent responsible for the injuries or damage to himself or herself, I don't think that the taxpayers should be forced to pay 100 percent, particularly when we haven't done anything for real tort reform in the joint and several liability area.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2527 was adopted and S.B. No. 2904, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMPENSATION OF CRIMINAL INJURIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2528 (S.B. No. 3183, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2528 was adopted and S.B. No. 3183, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2215, S.D. 1:

Senator Baker moved that S.B. No. 2215, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker rose to support the measure as follows:

"Mr. President, we're all aware of the task before us. Our state is in the midst of a prolonged economic downturn at a time when our sister states on the mainland are entering yet another year of economic growth. The economies of Japan and other Asian countries are struggling and this phenomenon has further complicated Hawaii's bid to recover. Clearly, there are global and external forces exerting a negative influence on our economy that are beyond our control. However, there are steps this legislature can and I believe will take to move Hawaii toward economic health.

"Mr. President, your majority has assembled a comprehensive plan of policies and actions to move Hawaii forward. We recognize that economic recovery will not happen overnight, so we must begin now. Building on past legislative actions, we will continue to engage all segments of our community in the dialogue to shape our future. We're encouraged by the successful models we've seen from the mainland -- places like Seattle, Phoenix, Austin, Chattanooga -- whose economic situation was as bleak and as dire as Hawaii's is now, and yet, by all segments of the community coming together, rolling up their sleeves and working together, sharing

in the pain so that all could share in the prosperity that was to follow was central to each one's success.

"Mr. President, government cannot create a vibrant economy by itself, but government can make a contribution -- it can be more efficient. It can live within its means, just as our families must do. Part of government's contribution is outlined in several bills we'll consider today, but government can also facilitate economic recovery by putting in place tools that businesses, potential entrepreneurs and individuals can use to expand job and business opportunities and to become a more productive work force.

"We believe that one of the key elements to setting the stage for economic revitalization is tax relief and tax reform as contained in S.B. No. 2215. It is a measure that does not raise the general excise tax but, rather, puts money into the hands of our residents right away. It encourages job creation. Coupled with the provisions of the tax conformity bill we just enacted and one that will follow this measure on the calendar, S.B. No. 2215 provides the necessary consumer and business confidence needed to encourage real growth in our economy -- growth that will translate into jobs for our people and a better quality of life.

"Mr. President, tax reform is but one element in the majority's package. Government will do its part too, as we seek to live within our means. We will see other elements of the Senate plan contained in other bills, but to further explore the specifics of this particular measure, I yield to my co-chair."

Senator Fukunaga rose in support of the measure and stated:

"Mr. President, this is a bill whose time has come. We've heard the call from our communities that we must provide relief in these tough economic times and we have responded with a package of tax cuts that will truly benefit our people.

"Your Economic Revitalization Task Force made some bold recommendations in the area of tax reform. However, in our public hearings and in our discussions with various segments of the community, including small business, we encountered tremendous opposition to any increase in the general excise tax. This posed a challenge to your committee to come up with an alternative plan that provided tax relief to families and individuals without adversely affecting business.

"Senate Bill No. 2215, S.D. 1, is the result of our best efforts to provide true tax relief to the people of our state. Highlights of this proposal include:

No increase in the general excise tax;

Elimination of the general excise tax on food consumed in the home;

Restructuring of the brackets on individual income taxes; and

Maintenance of the Economic Revitalization Task Force packages of recommendations to reduce corporate income tax and franchise taxes.

"At the same time, we are aware of the need to emphasize and to highlight jobs creation. Thus, in our proposal to reduce corporate and franchise taxes, we have inserted provisions to require corporations and franchise tax payers to use some of their tax savings to assist the Department of Business, Economic Development, and Tourism with new and emerging industries having good growth potential or prospects involving jobs, exports and new products. We have also required franchise tax payers to commit not less than 75 percent of their tax savings to loans for small businesses. In this way, we have sought to tie tax relief to our broader goal of job creation to stimulate Hawaii's economy.

"For all of the foregoing reasons, we encourage our colleagues to take a bold step with us in passing true tax reform for the people of our state. Thank you."

Senator Slom rose to support the measure as follows:

"Mr. President, I rise in strong support of this bill and commend the co-chairs and the members of the committee.

"What a concept! No tax increases. Let's say it again -- no tax increases. The Senate got the message. The Senate listened to the people. We listened to small businesses. We listened to the poor. We listened to the retirees. We listened to those on commission. And we found a way and a plan in which to provide real economic revitalization without increasing the already high tax burden. And what a concept! What a concept! Exempt the tax on food for home consumption. Gee, it's something that's new and bold -- it's only been around for about 25 years from Republicans, but the time has come and so I commend all the members and urge the swift passage of this bill.

"Thank you, Mr. President."

Senator Anderson rose in support of the measure and stated:

"Mr. President, I'd like to also echo that I back this bill 100 percent, and I am glad that we're not going to be raising the GET tax.

"But I would like to say, since the Senator from Maui did say that it was a Democrat push to do this, that I think it was a partnership. For many years, the Republicans have been asking for an exemption from food, and we said so on opening day that there should be no increase in certain taxes, that we went along with part of what the Economic Revitalization Task Force said.

"So, I'm very happy that we've come out with something like this, and I would like to say that I believe it's a partnering of both sides. And that's what government, I would think, should be all about, once we get elected.

"Thank you very much, Mr. President."

Senator Taniguchi noted his reservations on the measure as follows:

"Mr. President, would you note my reservations on this bill."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2215, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2434, S.D. 1:

Senator Baker moved that S.B. No. 2434, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Fukunaga rose to support the measure and said:

"Mr. President, I rise to speak in support of this measure.

"I would like to note for our colleagues that this measure was the product of the Small Business Coalition. And in keeping with the spirit of collaboration and partnership, the provisions of this bill were originally developed as an alternative to the Economic Revitalization Task Force package. Because of the committee's actions on S.B. No. 2215, those provisions which provided an alternative tax proposal have been removed and the portion which remains before us is a provision to accelerate the

exemption of subleases from the general excise tax, and thereby reduce pyramiding.

"For these reasons, we would urge all of our colleagues to support this measure. Thank you."

Senator Iwase rose to support the measure as follows:

"Mr. President, I'm rising to speak in support of the measure.

"I commend the chairs and this body for moving forward with two bills -- S.B. No. 2215 and S.B. No. 2434, dealing with tax cuts -- because I think that is what the people of this state deserve and the small businesses deserve. I am disappointed, however, with respect to S.B. No. 2434, which was a small business caucus measure and provided a well thought out program of tax reduction, that the provision relating to the value added tax commission and a study of the value added tax was deleted. I hope that it is restored. It is a taxing system that is perhaps fairer than the GET tax system. It is a system that, if we are going to talk about long-term relief and if we are going to talk about reforming our tax structure, not just tax brackets but tax structure, and the philosophy of the tax system, then we ought to look at the value added tax system.

"The bill, S.B. No. 2434, as it was introduced, called for a commission with the Director of Taxation to study this and to make recommendations to us in two years because, clearly, the GET system, as it is presently applied in the State of Hawaii, is not fair and we've got to address that. And I hope that is restored because we will be moving forward. Even though we're dealing with no GET increase, we still have an unfair system.

"Thank you."

Senator Sakamoto rose to support the measure and said:

"Mr. President, I'd like to rise in support of the issue.

"I'd like to commend the Senators from West Maui and Makiki for acknowledging that this is an important issue for small business and that other measures that were in the original bill are also in other bills. I appreciate their efforts in that part.

"This will go a great way to really help build a firmer foundation for our small businesses, big business as well, but small businesses.

"Thank you."

Senator Slom supported the measure as follows:

"Mr. President, I also speak in support of the bill, but I would also like to point out that while it is good that we changed the sublease arrangement from seven years, as we passed it last year, to four years, that there are still many, many businesses that are struggling and we need to take more appropriate and swifter action because some of them will not be here in four years to enjoy that exemption.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, S.B. No. 2434, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3004, S.D. 1:

Senator Baker moved that S.B. No. 3004, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker rose in support of the measure and stated:

"Mr. President, I rise in support of this measure.

"Mr. President, this is not the usual Internal Revenue Code conformity bill that we enact once changes are made at the federal level. There are two more very important provisions of S.B. No. 3004, S.D. 1, that I'd like to call to the members' attention because these provisions are very important in our overall scheme to revitalize our economy while ensuring that our safety net remains in place.

"One provision is the conforming amendment allowing Hawaii residents to utilize the hope scholarship credit and life time learning credit. Although we've limited the credit's application only to institutions in Hawaii for economic reasons, conformity does allow a maximum credit of \$1,500 per student for each of the first two years of post secondary education and a life time learning credit of up to 20 percent of qualified tuition expenses paid by the taxpayer in any year that the hope credit is not claimed. This will be a boon to our struggling families and folks wanting to go back to school to improve their skills, further their education by completing a baccalaureate masters degree or enrolling in post graduate studies.

"I think this will be a tremendous help to rebuild our work force, enhance our work force and bring it up to the standards that new businesses coming into Hawaii expect. These two tax credits will help Hawaii's people develop the skill levels for these jobs of the 21st century.

"Additionally, this conformity measure will repeal the limit on deductions for long term care insurance and services. We know that this area will be in great demand as all of us baby boomers age. And this measure will be one way that we can help folks stay out of institutions and care for themselves without having to deplete their own assets.

"These are very important provisions of the conformity bill that your Committee on Ways and Means is proposing for further consideration. I urge all my colleagues to support this measure. Thank you."

The motion was then put by the Chair and carried, S.B. No. 3004, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2148, S.D. 1:

Senator Bunda moved that S.B. No. 2148, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator M. Ige.

Senator Matsunaga then stated:

"Mr. President, please instruct the Clerk to record my 'aye' vote with reservations."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2148, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Levin).

Stand. Com. Rep. No. 2544 (S.B. No. 2915):

Senator D. Ige moved that Stand. Com. Rep. No. 2544 be adopted and S.B. No. 2915, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Slom opposed the measure as follows:

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

"The bill authorizes a board to hold meetings closed to the public for the purpose of considering matters related to the solicitation and acceptance of private donations. The argument was that, for example, somebody that would like to make a donation to a state agency or, for example, the university, might be persuaded to go elsewhere and make his or her donation to another institution in another state if it weren't confidential. My problem with that is, Mr. President, that we have too many closed door meetings and they produce very negative results as was seen by the closed door meetings of the ERTF task force. I think these meetings should be open to the public.

"And furthermore, if we're talking about the university as an example, in the past I know there have been donations made and there's been a quid pro quo -- we will donate a certain amount of money and later on we'll have a building or something named in our honor. If we do that, if we allow that, we don't have discussion at the time, we may get into a situation that we have right now, considering the naming or renaming of Porteus Hall. So I think the better process is that if we have it open from the very beginning and we allow the questions to be made and answered at that time.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2544 was adopted and S.B. No. 2915, entitled: "A BILL FOR AN ACT RELATING TO DONATIONS TO GOVERNMENT AGENCIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2552 (S.B. No. 2805, S.D. 1):

Senator Chumbley moved that Stand. Com. Rep. No. 2552 be adopted and S.B. No. 2805, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Anderson rose in opposition and stated:

"Mr. President, I'll be voting 'no' on this particular measure.

"It seems like we're fast tracking and I know that there are problems at times, but I looked at it and talked to different attorneys and it could possibly be that the person who is a land owner, and not a large land owner, or a person that's trying to facilitate or fast track some of the appeals from the PUC might want to go a different direction rather than having everything go to the Supreme Court immediately. So, I'll be voting 'no.'

"Thank you."

Senator Slom then said:

"Mr. President, reservations, please."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2552 was adopted and S.B. No. 2805, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO APPEALS FROM THE PUBLIC UTILITIES COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Anderson).

Stand. Com. Rep. No. 2555 (S.B. No. 3241, S.D. 1):

Senator Chumbley moved that Stand. Com. Rep. No. 2555 be adopted and S.B. No. 3241, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Solomon rose to speak with reservations on the measure:

"Mr. President, I'll be voting with reservations on this bill.

"I know that this is a pressing problem on the Big Island, especially because of our drought situation, however, I feel that this should be regulated by the marketplace and we, in fact, should not be interfering with that. And with that, Mr. President, I'd like to record a W/R."

Senator Slom rose to speak against the measure as follows:

"Mr. President, I'll be voting 'no' on this bill.

"As the good Senator from the Big Island brought up, this bill is prompted by the current drought situation and the bill does not allow a water distributor to raise their prices. The question that I raised in committee and the information that I have right now is that some of the water distributors, in order to do a very good job, have added additional equipment. They've added additional personnel. They've worked additional hours, and these all increase costs.

"So, it puts the burden of proof on them to prove that they should not have raised their prices in the first place. And I think it's a bad precedent and I don't think it's the same circumstances as what we did during the time of Iniki.

"Thank you, Mr. President."

Senator Sakamoto also rose to speak with reservations on the measure:

"Also voting with reservations similar to the Senator from Hawaii Kai's concerns that for the business to increase service, you have new equipment, etc., you want the service provided, you want the businesses to do what they need to do, you need to let them get adequate compensation, Mr. President."

Senator Iwase then added:

"Mr. President, W/R for the reasons articulated by the previous speakers. Thank you."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2555 was adopted and S.B. No. 3241, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNFAIR TRADE PRACTICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2562 (S.B. No. 2667, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2562 was adopted and S.B. No. 2667, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY CHECKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2565 (S.B. No. 2358):

Senator Chumbley moved that Stand. Com. Rep. No. 2565 be adopted and S.B. No. 2358, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Solomon opposed the measure as follows:

"Mr. President, I urge a 'no' vote by my colleagues.

"Although I'm very much in support of providing the best safety we can to our children in moving vehicles, I do feel that this bill is sending the wrong message. It's an insult to the people that we represent, forcing people now to go to classes. I feel it will create a hardship, especially on those living in rural districts as to how they would possibly get there. I feel that it is just not appropriate.

"With that, Mr. President, I would like urge my colleagues to think about all of these concerns. I just feel that it is not timely in terms of what it can afford and I really don't feel that it's going to really help and encourage parents from being more mindful of putting their children in car seats. So with that, Mr. President, I'm urging my colleagues to vote 'no.'"

Senator Iwase rose in opposition and stated:

"Mr. President, we're all for child restraints. I have three sons. Every single one of them was put into a child seat until they were old enough to get out of it. But for the reasons articulated by the Senator from the Big Island, I think this bill ought to have taken into account the concerns and situations encountered by people in rural districts where you have to drive long distances, and it does not at this point and hopefully it will be at some point in the future if this bill moves forward.

"Thank you, Mr. President."

Senator Bunda then said:

"Reservations for me, please."

Senator Slom added:

"Mr. President, reservations, please."

Senator M. Ige stated:

"A W/R for me, Mr. President."

The Chair so ordered.

Senator Fernandes Salling then said:

"Mr. President, I would also like to echo the comments that were raised by the two previous Senators, and ask the chair to please take a look at the requirements for classes. We've had a lot of problems, as you know, with requiring, on the neighbor islands and rural areas, classes for motorcycle training. And I'd hate to see us get into this kind of situation where these classes are not provided and then these people, I believe, would be fined further because they haven't gone to these classes.

"Increasing fines for child passenger restraint violations, I can see, but with that in mind -- the motorcycle class problem we've had -- I urge the Senators who chair transportation to please keep that in mind. And with that, I will be voting with reservations."

Senator Kawamoto added:

"Mr. President, as far as that's concerned, we did not hear that concern at our hearings. We'll take that up and will address it at our hearings.

"Thank you."

Senator Sakamoto then said:

"I echo my co-chair's concerns.

"Just for your information, the average national rate of car seat usage is 65 percent; on Oahu 31 percent; on Kauai 42 percent; on Maui 54 percent. My statistics don't include the Big Island. But the safety restraints in 1996 ... a statistic shows that 5,596 children between the ages 1 and 18 were injured in collisions in 1996 and 25 percent were ages 1 to 4.

"Part of the bill lowers penalties and instead of fining, I guess the class provision was put in. But certainly we need to address the concerns expressed, so we'll look at those as we go forward."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2565 was adopted and S.B. No. 2358, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER RESTRAINT SYSTEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Iwase, Solomon).

S.B. No. 2125, S.D. 1:

Senator Chumbley moved that S.B. No. 2125, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Anderson rose to speak against the measure as follows:

"Mr. President, I was going to go 'with reservations' but I'm going to be voting 'no' on this particular measure, primarily because I think we've seen, over the years ... originally it says that in order to qualify for an office, you had to be there at least by general election. Over the years, because we've had reapportionment, I've seen people taken out of office because they happen to be one or two blocks away. When I brought that up in committee, evidently it had not been considered before.

"I personally have lived in my particular home for 20-something years, and it wasn't until reapportionment that I fell into the Senate district that I'm in now. Prior years, I would have been in Kaneohe. So, even though my other home in Waimanalo was in the district, my home was not, and I probably would never have moved. However, because of reapportionment it has given me where I came into a different senatorial district.

"I do know of Representatives who were taken out of their districts by just a few blocks. At least if they wanted to consider running again because it would have been the same constituency over the years, it would have given them a chance to decide one way or the other if they wanted to run for that particular office and by the general election, if they knew that they were going to be a real viable candidate, they could then move. So, for that reason, I will be voting 'no,' Mr. President."

Senator Chumbley rose to support the measure as follows:

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

"The good Senator from Kailua has raised a very valid point on this measure, and I want to assure him and the other members that as we move forward with this issue, we will look at the concerns of reapportionment.

"As you know, in the year 2000 the feds will be doing a count to see what the census is and that will result in a reapportionment commission being appointed in the year 2000 with the work completed in 2001. We surely wouldn't want the good Senator to be held in violation of the constitution simply

because he's been reapportioned out of his district. So, we will be looking at that.

"Thank you."

Senator Slom rose and said:

"Mr. President, because I have the utmost confidence in the good Senator from East Maui/North Kauai to keep his word and to do that, I will only vote with reservations.

"Thank you."

The motion was then put by the Chair and carried, S.B. No. 2125, S.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE III, SECTION 6, OF THE HAWAII CONSTITUTION, TO CHANGE THE ELIGIBILITY TO SERVE AS A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Anderson).

S.B. No. 2318, S.D. 1:

Senator Chumbley moved that S.B. No. 2318, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose to speak with reservations on the measure:

"Mr. President, I support the bill with reservations.

"Certainly, the Judiciary, like anyone else, should have the ability to write off uncollectable debts after a period of time, in this case two years, but unlike a private business, the Judiciary keeps coming to us and asking us for more money, more salaries and more staff. Therefore, I think we should do everything possible to increase the incentives for the Judiciary to pursue the uncollectable amounts which I understand are in excess of \$27 million.

"Thank you."

Senator Fernandes Salling also rose to speak with reservations on the measure and said:

"I, too, will be voting with reservations on this matter.

"When I chaired the Transportation Committee I was aware that there were a lot of rental car companies that couldn't collect these fines, and so, therefore the Judiciary needed some flexibility to deal with that.

"However, the Judiciary does have a problem in that, as we have read, they have not been able to collect approximately \$27 million in fines. I hope they are not all from rental car companies. But with that in mind, I think the bill, as it reads, will give them a lot of flexibility to, perhaps, forgive a good portion of that, if not all. And I would hate to see that because we would like to get money into the coffers. I think the intent of the Judiciary chairs is to get money back into the Judiciary, rather than allowing them a lot of flexibility so that they could possibly forgive that large amount of sums that they should be collecting.

"So, for those reasons, I'm voting W/R."

Senator Solomon then said:

"A W/R for me, Mr. President, for the same reasons as iterated by the Senator from Kauai."

Senator Anderson added:



"A W/R for me for the same reasons as the Minority Floor Leader."

The motion was then put by the Chair and carried, S.B. No. 2318, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNCOLLECTIBLE ACCOUNTS IN THE JUDICIARY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2465, S.D. 1:

Senator Chumbley moved that S.B. No. 2465, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose to support the measure as follows:

"Mr. President, I vote to support this bill with reservations.

"Certainly we want to do something about the scourge of domestic abuse in our state. But the problem is some of the legislation that we're constructing is overly broad and vague, as is the case here. We are adding additional definitions of family or household members, and one of those definitions is 'persons who have or have had a dating relationship regardless of whether they have lived together ....'

"I guess my reservation and my question is that we do not clearly define what a dating relationship is. For instance, the time and the amount or number of dates. And I think this bill is a good idea, but I think, unfortunately, this is too vague and poorly written.

"Thank you."

Senator Sakamoto then inquired:

"I also wish to vote with reservations for some of the similar concerns, dating relationships. Also, it talks about persons related by consanguinity. May I ask what that means -- consanguinity -- I guess, to one of the co-chairs of Judiciary."

The President then recognized Senator Metcalf, a former Judiciary chair, who replied:

"It means your first cousin or other related family members."

Senator Sakamoto further inquired:

"They would be included in ... first cousins are included? Whether they live together, or date or not?"

Senator Metcalf answered:

"That's correct."

The motion was then put by the Chair and carried, S.B. No. 2465, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2710:

Senator Chumbley moved that S.B. No. 2710, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose to support the measure as follows:

"Mr. President, I rise to support the bill with reservations.

"Again, we certainly support the efforts of the police and the law enforcement authorities, but I think we're embarking in a new area here where we're going to expand and broaden search warrants into anticipatory search warrants -- not just what we're looking for and what the police are looking for, but what they anticipate to be found. I think that this can have tremendous problems and implications in both privacy and individual rights."

Senator Iwase rose to speak with reservations on the measure:

"Mr. President, I rise to speak with reservations.

"I share the same concern expressed by the previous speaker because now, as it is written and the law is passed, under this bill the search warrant would issue to search for articles supposed to be in the possession -- that's the present law -- and the addition is 'or which is anticipated to be in the possession' of someone. And I know this was supported by the Attorney General and the Prosecuting Attorneys and the HPD, and I would like to support them, but maybe if one of the co-chairs of Judiciary can give an example of what is meant by that because if it is anticipated and you don't have it ... anticipated means that you don't have it yet. So, if you could just clarify what that might be so it's not abused. Thank you."

Senator Matsunaga rose to respond in support of the measure as follows:

"Mr. President, I rise in support of this measure.

"For the prior speaker's information, anticipatory search warrants are particularly useful in situations where contraband, such as drugs, being delivered to a location is intercepted by law enforcement personnel, using a trained dog (not one for snakes, but one for drugs), that has determined that drugs in a package are going to be delivered to a particular location.

"The Supreme Court ruled in a recent decision, I believe it was State v. Scott, that HRS Section 803-31 did not allow anticipatory search warrants, and this bill would address that problem."

Senator Iwase then replied:

"Thank you for the explanation. Thank you very much."

Senator Solomon then stated:

"A W/R, Mr. President, just for the reasons that were given by the previous speakers."

The Chair so ordered.

Senator Fernandes Salling rose to speak with reservations on the measure:

"I will be voting W/R. I think if that is the problem, then let's limit it too. If they anticipate that the drugs are there and not stated, as it is in the bill, which opens it up to all kinds of situations where a police officer can say, 'I anticipate something is going on in this person's home that may be a crime and so therefore I want a search warrant to go in there.'

"I'm all for limiting it to drugs, if that is the reason for the bill. And for that reason, I'm going to be voting W/R and I again urge the chairs to please take a look at this. I think it's overly broad, and we want to protect people's individual rights."

The motion was then put by the Chair and carried, S.B. No. 2710, entitled: "A BILL FOR AN ACT RELATING TO SEARCH WARRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2121, S.D. 1:

Senator Chumbley moved that S.B. No. 2121, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Sakamoto rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to this bill.

"I'm not in favor of this bill because there's some major questions yet to be answered about elections by mail. The Chief Elections Officer said they're still looking at what other states, other jurisdictions, have done. All the facts are not in, yet we are saying we want to go full speed ahead with this measure.

"Mr. President, the election is a fundamental part of the democratic process. If we are going to do elections, we need to be very, very clear we are going to do it right, if by mail.

"When I mail to my registered voter list, I get untold return mail. Even though my labels say for registered or current resident, I still get return mail. So that means on top of the returned mail there's untold hundreds of others that are not being delivered to the registered voter, Mr. President. There are problems.

"We wouldn't want to go through an election by mail and then end up just being in a mess again after that. We need to get it all straight first, Mr. President."

Senator Slom rose in opposition and stated:

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

"The good Senator from Moanalua, I think, made very good points. In addition to that, certainly we all want to encourage people to vote, particularly in our state which has such an abysmal voting record of those that are actually eligible but do not register. But at the same time, in addition to all of the mail ballots coming back, the bill does not address the problem as to whether or not they are going to be counted as 'no' ballots, blank ballots, or whatever. We already saw what kind of problem that causes with the recent constitutional convention.

"Thank you."

Senator Chumbley rose in support of the measure and stated:

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

"In July of 1997, a U.S. District Court held that our 1996 constitutional question on the ConCon was ruled invalid. It was ruled void. If the federal court had ordered, without the appeal that went forward, the State of Hawaii to hold that election, it may have cost us in excess of \$3 million to simply re-ask the public, 'Shall there be a constitutional convention through the normal voting process.'

"This measure, upon its adoption, would simply allow the Office of Elections to promulgate rules in which the process of an election by mail could take place.

"There are currently 13 states -- Arizona, Alaska, California, Colorado, Florida, Kansas, Minnesota, Missouri, Montana, New Mexico, Oregon, Washington, Utah -- and Washington, D.C., who use this process. They can't all be wrong. It's a tool that we can use to create an efficient process to allow our public an opportunity to vote.

"For the previous speaker's question about the clarity on a blank vote or a spoiled vote being a 'no' or 'yes,' it would

simply be as the existing process where if a registered voter doesn't show up to the poll to vote. If you, as a recipient of a mail ballot, do not return your ballot, you have chosen not to participate, and your vote does not count as a 'yes' or 'no' vote.

"So, with all those supporting statements, I would urge that our members move this measure forward. Thank you."

Senator Matsunaga also rose to support the measure as follows:

"Mr. President, I rise in support of this measure.

"I'd like to echo the comments of my co-chair of Judiciary, and I'd also like to add that this bill is also particularly important to OHA because it allows special elections, such as OHA's statewide election, to be conducted by mail as well as by polling places. Voting by mail is an important element of OHA's attempt to get Hawaiian beneficiaries to vote.

"Thank you, Mr. President."

Senator Anderson opposed the measure as follows:

"Mr. President, I'll be voting 'no' on this particular measure.

"The reason being, I think that the more we try to make sure that it gets easier to vote, the more the people decide that they don't even want to participate.

"We've taken away everybody's rights, that were running, to put up signs because people didn't want signs (a particular group). What we should have done is enforce that they take down the signs when they were finished. But we didn't do that. We did away with the signs. We now say that you have to be a thousand feet away from election booths, otherwise you're going to be in trouble. So your workers are not there.

"You can't do so many things that it's no longer an enjoyment to vote, and people do not want to participate. Now, you're saying, 'Stay at home, forget it. Don't even bother going to the polls; just mail it in. It's even going to be easier.' For those reasons, I don't think, as a person who's been around a little bit, that I've even enjoyed what's happened over the years to the election process. It used to be that you could even buy a lunch for those people who worked in the election booth. And we worked it out between majority and minority. We'd say, 'You buy for this group; I'll buy for that,' and it was fun. Now you can't even do that because you're buying votes.

"So, for all of these reasons, I will be voting 'no' on this measure. Thank you very much, Mr. President."

Senator Slom then added:

"Mr. President, just a point of mathematical clarification for the good Senator from East Maui and North Kauai. The good Senator said 14 states -- of course he included the District of Columbia which I don't think has become a state yet -- so that limits it to 13 states can't be wrong. But then, of course, that means that the other 37 states that do not have this form must be even less wrong and we haven't even considered Puerto Rico.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, S.B. No. 2121, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS BY MAIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Anderson, Levin, Sakamoto, Slom).

S.B. No. 2401, S.D. 1:

Senator Chumbley moved that S.B. No. 2401, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose in opposition and stated:

"Mr. President, I rise to speak in opposition to this bill.

"Again, I think all of us share the concern about domestic violence and certainly want to do something about it, and also particularly where firearms are involved. However, this bill, again, is extremely broad and takes out the term 'recent' offense; does not define it; does not allow any time concern. So what that means is that the authorities may have the right to go into homes and take and remove and seize firearms because of something that may have been alleged a very long time ago and may not, in fact, be directly related to domestic abuse as we keep changing the definitions.

"Thank you, Mr. President."

Senator Anderson also rose to speak against the measure as follows:

"Mr. President, I'll also be voting 'no.'

"What the good Minority Senator said is true. Also, the idea of having someone phone up and say there's a problem next door and I think that the person is threatening his wife or she's threatening him with a firearm that may never, never even have come into the argument, and when the police get there and the person has a revolver, they can confiscate it. And that person has never threatened their spouse with that particular weapon, and yet they can confiscate it, and I think that this is wrong.

"Thank you very much, Mr. President."

Senator Matsunaga rose to support the measure as follows:

"Mr. President, I rise in support of this measure.

"I'd like to direct the good Senator from Waimanalo to pages 3 and 4 of the measure which should assuage his concerns. The measure states that firearms and ammunition may only be seized 'when the police officer has reasonable grounds to believe that: A person has assaulted or threatened to assault a family or household member; and There is a probable danger of further physical abuse or harm being inflicted . . . ; or' that 'Firearms or ammunition were used or threatened to be used in the commission of the offense.'

"Thank you, Mr. President."

The motion was then put by the Chair and carried, S.B. No. 2401, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

S.B. No. 2792:

Senator Chumbley moved that S.B. No. 2792, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Anderson rose in opposition and stated:

"Mr. President, I believe that's 'Relating to Repeat Offenders' and that happens to be three offenses at any time within 20 years. It includes all Class C felonies to be listed and I believe that the Class C felonies could be anything from street walkers, it could be DUI. So, anytime that you have had a minor offense within three periods, within your lifetime or 20 years, you could then be charged with a Class C felony. So I

don't think this is a very good bill to catch people, if you would, for a number of years for something that the average person would never really be held accountable for as it is now, and yet you're going to mix them all together. Three offenses within a 20-year frame, I just can't buy that. I do know that it's minor offenses that happen and the period is too long and I wish that you would amend it so that it is narrower and it takes in and does the law the way it should be.

"Thank you."

The motion was then put by the Chair and carried, S.B. No. 2792, entitled: "A BILL FOR AN ACT RELATING TO REPEAT OFFENDERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Anderson).

S.B. No. 2794, S.D. 1:

Senator Chumbley moved that S.B. No. 2794, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose to speak with reservations as follows:

"Mr. President, I rise to speak with reservations on this bill.

"This bill creates a new felony offense for habitual offenders and there are a number of problems with this bill. I really feel uncomfortable, Mr. President. I keep rising for civil liberties items and I keep looking around for the ACLU. They're spending all their time, I guess, getting hot food for the murderers and rapists and new VCRs, and I think they should be here on some of these particular measures because this bill is extremely broad. It does not have any time limit or time period in which these offenses are created. There is, I think, a presumption of nonenforceability. I don't know of any judge that actually would be willing to enforce this.

"And finally, we're debating everyday about over-crowding in the prisons, and here we are creating a new offense where we're going to throw people in jail because of shoplifting or because of prior offenses over a period of time that may extend 20, 30, or 40 years.

"Thank you, Mr. President."

Senator Fernandes Salling said:

"With reservations, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2794, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL CRIMINAL BEHAVIOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2333, S.D. 1:

Senator Fernandes Salling moved that S.B. No. 2333, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Solomon rose to support the measure and said:

"Mr. President, I'm speaking in support of this bill.

"I urge all my colleagues to vote 'yes' but also hope that we are open to any kind of House vehicles that may come over to help us fund the existing services, especially as it pertains to the Island of Hawaii.

"As you know, Mr. President, the whole goal of a medical facility is one that provides 24-hour emergency room services. The problems that we do have on the Big Island is that these facilities are separated by great distances as well as geographical barriers.

"In certain circumstances, depending on the location of the emergency, these problems reflect a 45-minute to a one-hour transport time via ground ambulance. With the use of aero-medical helicopter transport, time is reduced tremendously, translating into better patient prognosis. On the Big Island the aero-medical flight service protects the population of approximately 132,000, but they reside on 4,038 square miles, isolated by water to the nearest urban center which is sometimes located more than 200 miles away.

"So, with that, Mr. President, I'm hoping that when we're deliberating our statewide emergency aero-medical services system that we will not forget that we do need emergency services right at this moment. And again, I'm hoping that if there is an appropriate vehicle that is still with us or coming over from the House, that we will take that into consideration.

"Thank you very much."

Senator Baker also rose in support of the measure and stated:

"Mr. President, I, too, rise in support of this measure as it is very important to the emergency services that are provided in our rural areas, and it's very important that we have access to services here on Oahu since all of the medical services may not be available on the neighbor islands.

"I would ask that I be permitted to insert some additional remarks in support of this measure in the Journal. Thank you."

The Chair having so ordered, Senator Baker's additional remarks read as follows:

"Mr. President, I rise to speak in support of this measure.

"Mr. President, this bill would allow the Department of Health to develop a statewide, strategic aeromedical plan to coordinate much needed emergency air transportation services. As an island state, with limited medical resources on the neighbor islands, it is critical that we provide our citizens with safe and expedient transportation so that they may receive the life-saving treatment they need.

"I would note for you, Mr. President, and my colleagues that the island of Maui has been without helicopter service for over a year, since the previous operator could no longer fulfill its contract. This situation poses a serious threat to the safety of our community by limiting access to emergency medical services. The need to restore and maintain reliable air medical service is urgent.

"I am confident that the Department of Health will work diligently with the various parties involved to come up with a plan that will ensure the short and long-term viability of emergency air transportation in our state. I urge my colleagues to vote aye on this measure."

Senator Metcalf then said:

"Mr. President, I, too, would like to insert into the record some remarks in support of the measure."

The Chair having so ordered, Senator Metcalf's remarks follow:

"Mr. President, I rise in support of S.B. No. 2333, S.D. 1, Relating to Emergency Medical Services.

"There is significant need to ensure that all persons of the state, no matter how rurally situated, have expedient access to emergency medical services in times of need.

"This kind of service is especially important on the Big Island where communities are geographically situated so far apart. The availability of emergency medical services for these outlying areas is of grave concern and must be addressed. The state must provide these services to all of its citizens.

"Therefore, this measure directs the Department of Health to plan and develop a statewide emergency aeromedical services system and to report its progress to the Legislature next session.

"Thus, I urge my colleagues to vote in support of this measure."

The motion was then put by the Chair and carried, S.B. No. 2333, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 1:10 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:54 o'clock p.m.

S.B. No. 2884, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Kanno and carried, S.B. No. 2884, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT ON PUBLIC WORKS PROJECTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Aki, Fernandes Salling).

S.B. No. 3088, S.D. 1:

Senator Chun Oakland moved that S.B. No. 3088, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chumbley.

Senator Slom rose to speak on the measure as follows:

"Mr. President, I'm going to support the bill with reservations.

"I think that the bill, as it started out, was a lot stronger and I think there should be more powers given to employers to disclose information that is factual and is important without any malice or negligence. But I don't think there should be restrictions on the disclosure of that information.

"Thank you."

The motion was then put by the Chair and carried, S.B. No. 3088, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO JOB REFERENCE LIABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Aki, Fernandes Salling).

S.B. No. 3105, S.D. 1:

Senator D. Ige moved that S.B. No. 3105, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Tam requested a conflict ruling as follows:

"Mr. President, I rise to declare a possible conflict of interest. In my part-time occupation, I sell life insurance."

The Chair ruled that Senator Tam was not in conflict.

Senator Bunda then said:

"Mr. President, reservations for me, please."

The Chair so ordered.

Senators Solomon, Slom and Iwase then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 3105, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Aki, Fernandes Salling).

S.B. No. 2078, S.D. 1:

On motion by Senator Tanaka, seconded by Senator Taniguchi and carried, S.B. No. 2078, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RECREATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3215, S.D. 1:

Senator Tanaka moved that S.B. No. 3215, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Slom opposed the measure as follows:

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

"This is a very grave measure, Mr. President. It involves wolf dogs and I must declare a conflict because I'm a cat person and prefer cats. But I think we have a real problem here in trying to set up a panel that's going to examine dogs coming into the state to see whether or not there is any wolf in the dogs. It's my understanding, even though I am a cat person, that most dogs, if not all dogs, came from wolves before, and I think that we could do much better things and utilize our time better than to worry about wolf dogs.

"Thank you, Mr. President."

Senator Solomon added her remarks in opposition and said:

"I'm also speaking in opposition, Mr. President, for some of the reasons that were given by the previous speaker.

"But also, Mr. President, where does it end? Pedigree dogs entering into the state. Is it going to be cocker spaniels next year? I just feel that we have a lot of other more important tasks at hand and I just feel that this is just unnecessary.

"Thank you, Mr. President."

Senator Sakamoto rose to speak against the measure as follows:

"Similarly, Mr. President, I also speak in opposition.

"We have a dog at home and it's a poi dog and probably some people could say it's part wolf. I think we're getting off on the wrong tangent here."

Senator Anderson added:

"I'll be voting 'no.' Thank you very much."

The motion was then put by the Chair and carried, S.B. No. 3215, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL IMPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 16. Noes, 8 (Anderson, Bunda, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka). Excused, 1 (Aki).

H.B. No. 967, H.D. 2:

Senator Tanaka moved that H.B. No. 967, H.D. 2, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Anderson rose to speak with reservations on the measure:

"Mr. President, I have some reservations on this particular measure. It says that it directs the Department of the Land and Natural Resources to implement all conclusions in Kaneohe Bay Master Plan, requires rule making, it directs the Office of Planning, Department of Business and Economic Development and Tourism. All of these of people are going to take care of Kaneohe Bay.

"Yet, when I went down to Kaneohe Bay, and I spoke to the harbor master, not one individual from either the task force, the Department of Land and Natural Resources, the Administration, any Legislators, no one went down to see what was happening to Kaneohe Bay. And we have had that task force for a good number of years. I'm just wondering exactly what's going to happen. We make all kinds of laws but we're not having anybody to make sure that they are being enforced properly. The council themselves, I'm not sure if they're going to be just taking care of their concerns and not the others.

"There's a whole bunch of things that have happened in Kaneohe Bay that have evolved over the years. They have had more commercial business. The Department of Land and Natural Resources have given out permits, then all of a sudden this year or last they have taken away the permits by saying that they're too large a vessel. When I talked to the harbor master, we do have some vessels that are even larger that are coming in from Kaneohe Marine Base and asking for permission to come in and take care of some of the servicing.

"So, I have reservations as to what's really happening with this particular bay and ocean use activity. So, for those reasons I am going with reservations.

"Thank you very much, Mr. President."

Senator Slom then said:

"Reservations please, Mr. President."

Senator Tanaka added:

"Mr. President, reservations for me too."

The Chair so ordered.

Senator McCartney rose and said:

"Mr. President, I'd just like to insert some remarks in the Journal in support of the bill, and thank the two co-chairs for hearing the bill and moving the bill out of committee."

The Chair having so ordered, Senator McCartney's remarks read as follows:

"Mr. President, basically, this bill represents a decade of community work, as well as 18 months of consensus building among all of the affected parties to reach agreement on resolving the conflicts in Kaneohe Bay. The underlying guiding philosophy is that Kaneohe Bay is a public natural resource that belongs to everyone, and the granting of commercial permits which allows commercial activity on the Bay is a privilege -- not a right.

"The Kaneohe Bay Master Plan is a community-based attempt to balance the granting of commercial privileges on the Bay while protecting this great natural resource. The master plan should be used as a template for formulating departmental administrative rules with respect to managing ocean recreation issues in the Bay.

"Hundreds of people within the community worked on the master plan, and as you know, the plan is only as good as the people who support it. In this case, the plan is supported by a large cross section of the community because they truly have ownership in it. Your support of the bill will acknowledge their hard work and effort to make our community a better place.

"Thank you."

The motion was then put by the Chair and carried, H.B. No. 967, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RECREATION MANAGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2642 (S.B. No. 379, S.D. 2):

Senator Chumbley moved that Stand. Com. Rep. No. 2642 be adopted and S.B. No. 379, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose to support the measure as follows:

"Mr. President, I rise to speak in support, with reservations.

"I think, again, recycling is a good intentioned activity. We should all be doing it. In fact, there have been a number of private/public partnerships. Business has been very active in this area. I don't, however, like mandates. This bill excludes office buildings or office complexes below 20,000 square feet. I think that's a good sign. But I'm just going to be cautious that the bill is not amended in the future to take away any kind of exclusion so that the smallest of businesses will be forced to mandate this.

"Thank you."

Senator Sakamoto supported the measure as follows:

"I rise in support with reservations, Mr. President.

"The costs aren't clear and the intent is good in recycling. One ramification, however, could be that the landlord or building owner can agree and can do the recycling, but all of these costs then are passed along to the small businesses and then to the consumers. So we need to be cost effective."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2642 was adopted and S.B. No. 379, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2645 (S.B. No. 2692, S.D. 1):

Senator Chumbley moved that Stand. Com. Rep. No. 2645 be adopted and S.B. No. 2692, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Solomon rose to speak against the measure as follows:

"Mr. President, I'm rising to speak in opposition.

"Mr. President, in general, I am very much in support of stiffer penalties and so forth for those driving under the influence of intoxicating liquor. However, Mr. President, to prohibit the use of mopeds by these people, and I don't know whatever else we intend to do, is too much. Maybe we're going to stop people from riding a bicycle. I just don't know.

"But for the rural districts that I represent, this would be devastating. As you know, we do not have a decent rapid transit system that people can use and commute to work. So this would make it literally impossible for these people to get to work and it would cost them their jobs, their livelihood. It would bring stress to their families. It would just create chaos because many of them, although they have been cited with DUI, they do use a moped and this allows them to commute back and forth to get to work. Most of my constituents, as you know, with the closure of the plantations, have to commute sometimes 50 miles or more. And for those that are lucky, they can get a job or they can relocate themselves.

"I would urge my colleagues to think very cautiously on this, and again, Mr. President, urging to vote 'no.'

"Thank you."

Senators Iwase, Fernandes Salling and Bunda then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2645 was adopted and S.B. No. 2692, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING AFTER LICENSE SUSPENDED OR REVOKED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Ige, M., Solomon, Tanaka).

S.B. No. 2400, S.D. 1:

Senator Chumbley moved that S.B. No. 2400, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator D. Ige.

Senator Slom rose to support the measure and said:

"Mr. President, I rise in support of the bill with reservations.

"I think the bill, basically, is a sound bill and it patterns Hawaii State law after the federal law which is what law enforcement personnel want and have suggested. I just have a couple of concerns. I think it should be on the record.

"One is that, of course, we are broadening the use of wire tapping in the State of Hawaii. As was testified at the hearings, there have been very few local wire taps utilized in the past. Most of the wire taps in the State of Hawaii have come from the Federal Bureau of Investigation and they primarily had to deal with issues involving drugs and organized crime. The local law enforcement agencies testified that with this bill there will be more wire taps, and I think we should be on guard that everyone's privacy and individual rights are protected.

"In addition to that, the federal wire tap law provides for an independent body to oversee and to look at the request for wire tap. In this bill here, we are placing a surveillance review unit

within the Office of the Attorney General. First of all, it's not an objective unit. Secondly, the Attorney General's Office is so busy these days with Bishop Estate, they may not have time to adequately look over wiretap requests. So I just add a word of caution.

"Thank you."

Senator Fernandes Salling then said:

"With reservations, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2400, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WIRE TAPPING AND ELECTRONIC SURVEILLANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2651 (H.B. No. 1868, H.D. 2, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2651 was adopted and H.B. No. 1868, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2653 (S.B. No. 2025, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2653 be adopted and S.B. No. 2025, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Tam rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to S.B. No. 2025, relating to plant and non-domestic animal quarantine.

"This bill removes Chapter 91 of the Hawaii Revised Statutes, as desired by the Department of Agriculture of the State of Hawaii. Chapter 91 ensures the open government public hearing process, the essence of democracy.

"Thank you."

Senator Anderson spoke on the measure as follows:

"Mr. President, I'm going to be with reservations so far, unless I can tie the two bills together, then I may go 'no' as I did on the other dog bill.

"Is there someone who can explain the difference. When we did the wolf quarantine it was because of the criteria used and what the Department of Ag was going to do. Now, if I read this bill, it exempts the adoption identifying approved, restricted, prohibited plants, animals, microorganisms from public notice. But it says the DOA must adopt rules to provide for public input prior to adopting new laws. And I think we just voted on S.B. No. 3215, that those new laws were going to be to see if a dog had any blood line of a wolf.

"Now, is this the same criteria that the Department of AG is going to have to follow? If it is, then I would vote 'no' as I did on the other bill. If it is not, then I would have reservations only. That's why I got rid of my shepherds and got a poodle, because I didn't want anybody to think that I was raising wolves.

"Thank you very much, Mr. President."

Senator Chumbley responded:

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

"Mr. President and members, having been a former member of the Board of Agriculture from 1988 to 1992, I'm very familiar with the process and procedures that that board undertakes when looking at approved, conditionally approved or restricted lists.

"As written, this measure would simply allow the department to forego the requirement that they take this public hearing throughout the state. But I assure you that the public hearing process and the Chapter 91 procedures will not be eliminated because the board will still have to follow those procedures, will still hold an open hearing and will, in fact, still give the public ample opportunity to comment with respect to the changes on those lists that are governed by the Board of Agriculture.

"I urge my colleagues to support the measure."

Senator Anderson then stated:

"Thank you very much, Mr. President.

"If what the Senator from Maui is saying is that it's not going to be following the same criteria, then I would vote with reservations, and I will not vote 'no' on that particular bill."

Senator Chumbley then inquired:

"Would the Senator reconsider his earlier vote on the constitutional amendment?"

Senator Anderson replied:

"No, but I would like to go ahead and correct my statement. I said that I went into a poodle, but I meant that I went and purchased a poodle. Thank you." (Laughter.)

The Chair remarked:

"Thank you for that clarification, Senator."

Senator Fernandes Salling then said:

"Reservations, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2653 was adopted and S.B. No. 2025, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Ige, M., Tam).

Stand. Com. Rep. No. 2654 (S.B. No. 2769):

Senator Baker moved that Stand. Com. Rep. No. 2654 be adopted and S.B. No. 2769, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon rose to speak with reservations on the measure:

"Mr. President, I rise to speak with reservations on this bill.

"Although I'm very much in support of the Department of Agriculture in their efforts related to irrigation projects, I really feel that the Agriculture Development Corporation is the proper agency that should be handling all of these projects. I think that

as we look to the future and we look to the acquisition of different irrigation systems throughout the state as our plantation systems shut down, I feel that the Ag Development Corporation is the one that is more suitable. It has more flexibility. It can engage in private/public partnerships when it comes to the construction and the operation and the maintenance of these state irrigation water systems. Not only that, Mr. President, but they have more flexibility in dealing with the issues between the major land owners, as well as the small farmers, as we move into more and more diversified agriculture.

"Your Committee on Water, Land, and Hawaiian Affairs had a very lengthy hearing when we discussed the acquisition of the Waiahole irrigation project. As the hearing evolved, these questions came up and we had recommended that although the Agriculture Development Corporation is on the executive hit list, in terms of elimination, we felt it was the appropriate agency. It was the wisdom of this legislative body that formed the corporation in anticipation of the plantations shutting down, and to deal with the value of irrigation water and the necessity of irrigation water to encourage diversified agriculture.

"With that, Mr. President, I'm hoping that as this bill advances that the Committee on Ways and Means and the Committee on Economic Development will be mindful of those positions. And perhaps we can look at some other vehicles to restore the integrity of the Agriculture Development Corporation which will be responsible for these kinds of projects.

"Thank you, Mr. President."

Senator Anderson then rose to speak on the measure as follows:

"Mr. President, I have some reservations with the Department of Ag running the state irrigation projects.

"We have a project in Waimanalo. The last big storm that they had, had a tree fall over. It broke a portion of the irrigation ditch. I personally walked up there through the water. There was water flowing. The tree was not touching the ditch, but however, it had broken the cement. It was eroding the rest of it. That was in October. They were told that they would probably take that out to bid and that would be taken care of sometime in 1998, maybe 1999. After I went up there, they promised me that it would be done in February.

"Well, the other day I get a call from the Waimanalo farmers saying that because of summer coming along, because there's been less water from Maunawili, they are asked to restrict their water and they may have to purchase water from the City and County. And low and behold, that bid to take care of the ditch hasn't gone out yet because the Department of Land and Natural Resources were using their engineers and they are busy and they haven't been able to write up the proper papers so that this thing can go in for bid. So that means that these people are going to be without water until sometime, maybe in 1999. In the mean time, they are restricted and they're having a whole bunch of problems with the farmers in Waimanalo.

"And that's why I have some reservations about the Department of Ag, Department of Land and Natural Resources, and many other departments running everything that we have within the state.

"Thank you very much, Mr. President."

Senator McCartney then said:

"Mr. President, could you mark me down with reservations, also."

Senator Slom added:

"Mr. President, reservations, please"

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2654 was adopted and S.B. No. 2769, entitled: "A BILL FOR AN ACT RELATING TO IRRIGATION PROJECTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2655 (S.B. No. 2800, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2655 be adopted and S.B. No. 2800, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon rose to speak with reservations on the measure:

"Mr. President, I'm speaking with reservations.

"I'm very much concerned. I'm very much in support of the Department of Business, Economic Development and Tourism to issue economic development grants to new businesses, but my concern, Mr. President, is what about the existing businesses? We have many businesses now, family businesses that are trying to expand their businesses; existing businesses that want to be able to renovate their business so they, in fact, can possibly accommodate their young people coming home to be part of these businesses. They're not going to be allowed to take advantage of these grants.

"I have no problem, Mr. President. I've always supported the help that the Legislature has given to businesses. We've never had a problem with public partnerships. We never had a problem with investing in our economy. But I just cannot see why, Mr. President, this legislation was not broadened to include existing businesses because they, in fact, need help just as much as new businesses.

"Thank you."

Senator Sakamoto then said:

"With reservations for the same reasons."

Senator Slom also rose to speak with reservations on the measure:

"Mr. President, reservations and I would like to add also that there's a provision in the bill for qualifying grants to non-profit organizations, and I think what we really want to do is encourage profitable organizations that are going to be creating jobs and wealth in our community.

"And in addition to that, one of the clauses in the bill says that 'new and emerging industries often lack required financial and professional expertise to develop sound business plans.' I think this has been one of the problems that we've had in having state support for businesses. Any business that has not had the expertise and the ability to develop its own business plan should not be getting support and subsidies from one group of businesses to another.

"Thank you, Mr. President."

Senator Fernandes Salling spoke on the measure as follows:

"I'll be voting with reservations for the reasons that were stated by the Senator from Kohala, but also because I think that we need to be cautious when we exempt departments from the Chapter 42 process and the Procurement Code, which is what is being asked for in this bill. Although the purpose is good, I



have mentioned that in the Ways and Means hearing and asked the Chairs and the members to please consider that."

Senator Iwase then stated:

"Mr. President, for the reasons stated by the previous speaker, W/R for me, please."

The Chair so ordered.

Senator Anderson added:

"Mr. President, I have some reservations in the same line that I believe we should be taking care of our existing local businesses and give them a fair playing field like everybody else.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2655 was adopted and S.B. No. 2800, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AUTHORITY OF THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ISSUE ECONOMIC DEVELOPMENT GRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2656 (S.B. No. 3007, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2656 was adopted and S.B. No. 3007, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS DEVELOPMENT CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2657 (S.B. No. 3130, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2657 be adopted and S.B. No. 3130, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose in support of the measure and stated:

"Mr. President, I rise to speak in support with reservations.

"The bill proposes to grant the ability for film funding and additional grants and there is no dollar amount specified. And I think we should know these things before we go in.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2657 was adopted and S.B. No. 3130, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FILM PRODUCTION FUNDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2661 (S.B. No. 2496, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2661 be adopted and S.B. No. 2496, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Kawamoto rose to support the measure as follows:

"Mr. President, I rise to speak in support of S.B. No. 2496, project labor agreement.

"Mr. President, this bill is about jobs, jobs for local residents, and not about non-unions versus unions as the opponents of this bill have tried to make it. This bill is an enabling bill to allow our governor and our congressional delegation an opportunity to select the project labor agreement as a process for military defense projects in Hawaii.

"Mr. President, this bill may provide the link for local residents getting federal contract jobs, in view of the special dispensation for Hawaii and Alaska when our unemployment rate goes higher than the national rate, as you spoke of on opening day.

"Mr. President, this is not, not accepting the status quo as my friends here to my right have indicated sometimes or claimed that we are doing so.

"Mr. President, with this bill, we address our concerns of the 12,000 construction workers who lost their jobs in the last four years. We address our concerns of the highest foreclosures we've seen in the history of our state over the last two years. We address our concerns of the negative 8.9 percent growth rate of our construction industry, the highest negative growth rate among all the industries of Hawaii in the past year.

"These bleak construction industry statistics come on the heels of a press release last month by our Senior Senator in Washington that he and our congressional delegation brought \$3.8 billion, billion with a 'b,' federal dollars to Hawaii in the past four years, for which we are most grateful. But, what's wrong with this picture? Where did the money go?

"Mr. President, the closest project costing these kinds of dollars was proposed when we proposed the fixed rail transit for Honolulu which would have cost about \$1.7 billion, half of what the great Senator brought to Hawaii in the last four years. At that time, we were talking about 20,000 jobs in 10 years, not a loss of 12,000 jobs.

"Mr. President, this bill, if implemented, could provide an option for the powers to be to use 'Project Labor Agreement' as encouraged by our President, Mr. Clinton for the \$500-600 million for infrastructure bids to be released in the next couple of years for Ford Island.

"Mr. President, small business was one of the opponents of this bill, and I don't understand. As the good Senator from Hawaii Kai reads the obituaries of businesses that ran out of business, who do you think buy the goods and services of these businesses. Who do you think patronize their restaurants -- local construction workers and their families who have jobs and have money to spend.

"To make matters worse for our economy, we have a local tax rule that if you are a non-resident worker here for less than 60 days, the employer does not have to withhold state income tax from the employee's paycheck. You guessed it. What do the non-resident workers do? They come here for 59 days, go back to the mainland, return back and start their 59 days again. They do this for the duration of the project without paying state tax.

"Mr. President, the road to economic recovery for Hawaii is through jobs for local residents, paying taxes, buying houses, cars, and enjoying a comfortable Hawaiian lifestyle, as they should and deserve because this is their home.

"With that, Mr. President, I urge all my colleagues to vote 'aye' on this enabling legislation. Thank you."

Senator Slom rose in opposition to the measure as follows:

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

"I thank the good Senator from Waipahu for reminding us all of our economic woes, and certainly, we all support the creation of jobs and, particularly, jobs for our local industries, our local workers. The unfortunate thing is, however, that this bill will not protect local jobs, will not encourage local jobs. And while people argue back and forth whether this is a union measure versus a non-union measure, maybe more accurately we can describe it as a choice measure versus non-choice.

"And we've had, during the hearing process of this bill which is now in its second draft, countless testimonies from contractors around the state -- old time contractors, newer construction companies, construction companies headed by and operated by women, by minorities, by all kinds of groups -- saying they don't want this bill, that they want a choice. And the key sticking point from the very beginning of this bill was the term, project labor agreement, which requires people that are non-union to be part of an organized union agreement. This is the only sticking point. If this were to have been removed, as was suggested by the Minority and others at the very beginning, we would all be joining hands and supporting this bill.

"If this project labor agreement language had been removed, then you would not have the objection from the Maui Contractors Association and the Kauai Contractors Association and from the folks from the Big Island, or all around the state. Now, either they are all wrong or, based on their experience, they know what they want to do and they know how they can contribute.

"This bill does not protect or encourage local jobs. We submitted language that would have done that, that would have required residency, that would have made it very specific. But time and time again, it comes back to this phrase of project labor agreements. So, because of this argument and because of the fact there's no guarantees in here, I'm forced to vote 'no' against this bill.

"Thank you, Mr. President."

Senator Anderson rose to speak on the measure and stated:

"Mr. President, I have some reservations but I'll be voting for the bill.

"It says, project labor agreements can include. We've tried to change to make sure that it would be licensed contractors, but not necessarily union contractors. We've said that you can be an employee not unionized. There's other things that were spelled out.

"The other night in Ways and Means, I did have an amendment that would have spelled it out a lot clearer that we would utilize local employees, local labor. If I had a chance to write it, I would say that you would have to be a two-year resident. But that would be against the constitution, and I know darn well I couldn't do that, but I would put that stipulation in if I could. But we've come close to making sure that the bill, if amended the way we wanted it, would be as explicit as possible to make sure that we use our own people. Without this, we have nothing. We haven't got any jobs for union people, non-union people and most certainly not our people.

"And as long as we have a bill that I can fight for and try to amend, I will have to vote with reservations and I will continue to do so. I will run to the other side and work with the House members. I will do everything that I possibly can to make sure that it will be as explicit as possible, that we utilize our people, people from the State of Hawaii and not have people shipped in, taking the jobs that belong to us.

"For those reasons, I do have some reservations but I'll certainly work on them, Mr. President."

Senator Iwase spoke in favor of the measure and said:

"Mr. President, I rise to speak in support of this bill.

"Mr. President, the bill that we have before us to vote on today is far different from the bill which was in committee and which apparently caused a lot of controversy. This bill has been compromised down and is applicable to federal projects where the state is involved.

"I want to support this bill not only because it's the result of the great efforts to compromise by the committee co-chairs, but also because we are in tough economic times, and various organizations and segments of our society have come to us for help to bail them out and to provide support for their efforts to survive. In this case, the building trades have come and said this is what we need. This is what we need for the unions. This is what we need for our members. This is what we need to survive.

"We can argue about whether or not this bill is good or bad, what it will do, what it is intended people say it's going to do or not. But they believe that this is what they need to help -- the unions and their members. And I'm going to buy into that, and I'm going to support that, because they need our support, just as I believe we must buy into to please a small business when they come to us for help on workers' comp reform, on job reference liability, on no new taxes, on streamlining regulations. We've got to help small business by doing that. We've got a long way to go to help small business in that regard, but this is something for the unions that they believe will help them and their members in these tough economic times.

"It is a compromise version. It is something that will be discussed further as it moves to the House. But at this point in time, I'm going to accept all of what they said. This is very important to them, just as the four points I talked about are important to small business.

"Thank you, Mr. President."

Senator Sakamoto rose to speak against the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Nobody is in opposition to all the intent, all of the problems and the woes and the good things that can be done. And as the speaker from Mililani mentioned, the bill was compromised down. When this bill left your three standing committees, it was supportive of small business with a \$75 million cap.

"The Boston Harbor, the genesis of this measure, is a \$10-13 billion project. Project agreements work when there's labor strife, when there's problems on big projects. This bill has no dollar limit. But particularly, one part of this bill, in spite of all the remarks on limiting to federal projects, this bill still says, 'This section does not require a department or agency of the State to use a project labor agreement on any federal defense project, nor does it preclude use of a project labor agreement in circumstances not covered in this section.'

"I think, Mr. President, we cannot speak out of two sides of our mouths. This is not right."

Senator Chumbley also rose in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Mr. President, I admire the efforts of the good Senator from Waipahu and his concern about jobs for our state residents who are unemployed and sitting on the bench. My opposition against this measure is not against the opposition of providing jobs for those people who are on the bench. My opposition is much, much simpler than that, Mr. President. My opposition is simply because the measure as proposed to us is unnecessary.

"In June of 1996, the U.S. President handed down a memorandum which directed the federal government to enter into project/labor agreements in situations where they felt it was appropriate and where the states would cooperate. So in essence, members, we've had PLA since June of 1996. For the last 21 months this state could have done a PLA agreement.

"Members of the Maui Contractors Association, the members of the Contractors Association of Kauai, the Hawaii Island Contractors, and even the Oahu Contractors Association and all of those companies that this measure purports to support are in opposition to this measure. My concern is the message that we send to all of those companies, the fact that the business in this state is struggling and what are we attempting to do through this measure. They're very, very concerned about it.

"So, I urge all of my colleagues to vote 'no' on this unnecessary change to our existing procurement code. Thank you."

Senator Fukunaga rose in support of the measure as follows:

"Mr. President, I rise to speak in support of this measure.

"Mr. President, in the current bill that we are considering, the Ways and Means Committee has made a number of amendments to address the concerns that were expressed in the prior three committees that considered the measure. I would just like to note a couple of items:

In terms of project labor agreements under the current provisions of this bill, project labor agreements do not necessarily have to involve a union. In the instance of a non-union contractor, a project labor agreement can be an agreement between an owner and a general contractor. Further, on page 3 of the bill, between lines 10 to 14, one of the very strong conditions of this bill is that it has been limited to usage in instances involving federal defense contracts and state public works contracts. Any project labor agreement reached pursuant to this section shall 'allow all contractors and subcontractors wishing to compete for contracts and subcontracts on the project to do so, without discrimination against contractors, subcontractors, or employees based on union or nonunion status.'

"So, for these reasons, Mr. President, I believe that the Ways and Means Committee has fully addressed the concerns raised previously and would urge all my colleagues to vote in support of this measure. Thank you."

Senator Metcalf then stated:

"Mr. President, I do have some written remarks in support of the measure I'd like to have inserted into the Journal."

The Chair having so ordered, Senator Metcalf's remarks read as follows:

"Mr. President, I rise in support of S.B. No. 2496, S.D. 2, Relating to Procurement.

"The bill before us has been substantially changed by the Committee on Ways and Means in an effort to address real concerns expressed since the matter was first heard by your Committee on Human Resources.

"The measure before us today has been amended by no longer requiring the procurement officer to condition award of a contract on the adoption of a project labor agreement. This measure also encourages the use of a project labor agreement only in cases in which the state and the federal government are able to work together on federal defense projects in the state.

"The measure also indicates that a contractor does not have to belong to a union. Therefore, non-union contractors are free

to bid on projects. The measure also specifies that employees of contractors are not required to be union members.

"On this basis, I am giving it my qualified support, reserving final judgment on this matter should it proceed further this session."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2661 was adopted and S.B. No. 2496, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Aki, Chumbley, Fernandes Salling, Matsunaga, Sakamoto, Slom).

Stand. Com. Rep. No. 2669 (S.B. No. 2385, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2669 was adopted and S.B. No. 2385, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2671 (S.B. No. 2399, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2671 be adopted and S.B. No. 2399, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose in opposition to the measure and stated:

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

"There is a movement in the community, entitled 'Clean Money Campaign' and the idea is to improve our elections and our campaign procedures. And the thesis behind this movement is that if we just have the taxpayers pay for elections, then we'll have clean campaigns and we'll have better government. Unfortunately, I can't buy into that. I don't think it's correct. Secondly, I think it's a measure to ensure that incumbents who already have name recognition and a great deal of money have an unfair advantage over newer, lesser known candidates. And thirdly, I don't know where we're going to continue to get the funds from the public treasury to support meaningful educational reforms and all the other things we've talked about thus far today, and to support political candidates as well.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2671 was adopted and S.B. No. 2399, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2675 (S.B. No. 2185, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2675 be adopted and S.B. No. 2185, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose in support of the measure and said:

"Mr. President, I rise to support the bill with reservations.

"My reservations are that now that we're going to increase the towing fees, and it's already been a burden for a number of

people, it's my understanding that the towing companies do not allow the use of checks or charge cards. And since we're now raising the fees substantially, I would like to see that the bill is amended as it goes along to at least allow for that provision, to recognize the realities of everyday life that a lot of people don't carry hundreds of dollars with them in cash.

"Thank you, Mr. President."

Senator Anderson rose to speak on the measure and stated:

"Mr. President, my concerns are the same and I have reservations, but I also have some women who have gone after hours to get their cars that have been towed away. They've either caught a cab to go down to pick up their car and all of a sudden they're told that it's X-number of dollars and they don't have the money handy in cash. Consequently, they could be out at Mapunapuna or they could be out near where the Hard Rock Cafe is, and they don't have the funds. They either have to catch another cab to go home or they may have to catch a bus.

"It's an inconvenience in today's market and whenever we've had a bill to ask the towing companies about the credit cards, they come in and give you all kinds of reasons why they should not have that kind of service to our people. And I would hope that we could amend this bill because I think it's very important in today's market. Thank you."

Senator Kanno then stated:

"With reservations, please."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2675 was adopted and S.B. No. 2185, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TOWING FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2676 (S.B. No. 2396, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2676 be adopted and S.B. No. 2396, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Levin requested his remarks be inserted into the Journal. The Chair having so ordered, his remarks read as follows:

"I think it is important to establish that the legislative intent behind S.B. No. 2396, S.D. 2, is to expand the situations under which motor vehicles are required to stop near a school bus, not to reduce them. Specifically, the phrase 'in a residential area' is meant to modify the word 'road' and not 'highway.' Senate draft 2 does not limit HRS 291C-95(a) to highways in residential areas only; rather it applies to all highways everywhere, and now it also will apply to roads in residential areas."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2676 was adopted and S.B. No. 2396, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUS SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2677 (S.B. No. 2652, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2677 be adopted and S.B. No. 2652, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Iwase rose to speak against the measure as follows:

"Mr. President, I'm rising to speak in opposition to the bill.

"Mr. President, this is a bill that allows for authorizing the counties to use improvement district assessments for safety and security purposes. And I think what the bill does is, unfortunately, mix, if we make an analogy to the government, operating budget monies for capital improvement monies -- the capital budget. This new category, I believe, is inconsistent with the purposes of assessment, and is really nothing more than a new tax on the taxpayer.

"Historically, the IDA was used to improve and maintain projects ... improving the maintenance projects, build sidewalks. It was done in Kahuku when I was on the City Council, in Laie. So when you do that, it's a CIP project -- you float the bond; you secure it on the assessment. It's a set period. It's probably 20 years.

"In this case, you're going to create an assessment, no capital improvement. It's really a tax to be used for purposes of funding programs which I think the county taxpayers expect from the government and that is to provide police protection, provide police services. Rather than using the tax money for which the county taxpayers are taxed for, they're going to now have these assessments and the counties are then free, perhaps, to use monies for other purposes. And it's probably going to occur. It may not occur next year, but it's going to occur.

"So, I'm going to oppose this bill, Mr. President. Like I said, it's a tax and I must vote 'no.'

"Thank you."

Senator Solomon rose in opposition to the measure and stated:

"Mr. President, I, too, will be voting 'no' and urge my colleagues to do the same.

"I feel that if there is a problem with public safety, I think it's more appropriate that we provide more funds for police protection, and not creating what I would call private militias to be situated in districts that perhaps could afford this or however it may be.

"And with that, Mr. President, I'm urging my colleagues to vote 'no.'"

Senator Fernandes Salling then said:

"With reservations for me."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2677 was adopted and S.B. No. 2652, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE SAFETY AND SECURITY DISTRICT ASSESSMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 7 (Aki, Anderson, Ige, M., Iwase, Slom, Solomon, Tanaka).

Stand. Com. Rep. No. 2682 (S.B. No. 2607):

By unanimous consent, action on Stand. Com. Rep. No. 2682 and S.B. No. 2607 was deferred to the end of the calendar.

At 2:45 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:52 o'clock p.m.

Stand. Com. Rep. No. 2684 (S.B. No. 2969, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2684 be adopted and S.B. No. 2969, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to inquire:

"Mr. President, I rise for a question on this bill.

"I read this bill and it seems to relate to 22-foot vehicles not blocking any areas or creating hazards, but then it mentions state parks, and I'm trying to find out how many state parks do we have that are applicable to this bill. Can someone answer that question for me?"

Senator Fukunaga rose in response as follows:

"Mr. President, I rise to speak in support of this bill and also to respond to the question posed by the Minority Floor Leader.

"The areas in Honolulu which meet the requirements of this section calling for proximity to a state park would be areas like the Tantalus and Diamond Head overlooks."

Senator Slom then said:

"I thank the good Senator from Waikiki. So, in other words this bill just applies to those two areas on the island? It would not apply to any long vehicles, limousines and so forth that would be blocking, say, county parks or other areas on the island?"

Senator Fukunaga replied:

"These are areas that have been identified thus far. The Department of Land and Natural Resources has also identified such areas as the Nuuanu Pali Lookout as another area which has experienced traffic hazards as a result of the use of stretch limousines."

Senator Slom continued to question:

"But the bill specifically just relates to state parks. Is that correct?"

Senator Fukunaga answered:

"That's correct."

Senator Slom then said:

"I'll be voting with reservations, Mr. President."

Senator Solomon rose to speak on the measure and stated:

"Mr. President, I, too, will be voting with reservations and I would like to ask a question, Mr. President, for clarification if the chairwoman would yield."

The President then said:

"Would you like to state the question, Senator?"

Senator Solomon continued:

"I just need a clarification, Mr. President. Now, those permittees or certificate holders that also operate busses or limos or whatever it may be on the neighbor islands, would they be affected by this?"

Senator Fukunaga replied:

"I believe the provisions of the bill limit the application of these particular restrictions to counties with populations in excess of 500,000."

Senator Solomon then said:

"Thank you, Mr. President."

Senator Sakamoto also rose to speak on the measure as follows:

"I also rise to speak with reservations, Mr. President.

"This bill seems to be an awkward method to address safety concerns. Maybe parking signs, maybe something else can do. So I think the way we're handling this, we may adversely be impacting some good and well intentioned activities without knowing it, Mr. President."

Senators Iwase and Anderson then requested W/R votes, and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2684 was adopted and S.B. No. 2969, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2685 (S.B. No. 2983, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2685 be adopted and S.B. No. 2983, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Metcalf rose in support of the measure and said:

"Mr. President, I have some written remarks in support of the measure I'd like to have inserted into the Journal."

The Chair having so ordered, Senator Metcalf's remarks read as follows:

"Mr. President, I rise to speak in favor to S.B. No. 2983, S.D. 2, A Bill for an Act Relating to Office of Information Practices.

"This measure seeks to ensure proper enforcement of Chapter 92, Hawaii Revised Statutes, popularly known as the 'Sunshine Law.'

"This measure brings together the administration of the open meetings laws and the open records law under the Office of Information Practices (OIP) and moves the OIP from the Department of the Attorney General to the Judiciary for administrative purposes.

"At present, the Office of Information Practices is a part of the Department of the Attorney General. However, a conflict of interest may exist when the Department is called upon to enforce the open meeting law and to defend a state agency. Therefore, the measure moves the OIP to the Judiciary branch of government.

"This move is also justified by the unique purview of the Office of Information Practices in its quasi-judicial function of deciding which records are to be disclosed for public review.

"Therefore, this is a prudent and necessary measure that will ensure the open and accessible government that our citizens

expect and deserve. Thus, I urge my colleagues to vote in support of this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2685 was adopted and S.B. No. 2983, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OFFICE OF INFORMATION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2686 (S.B. No. 3043, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2686 was adopted and S.B. No. 3043, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT COMPUTER SYSTEMS WHICH ARE NOT YEAR 2000 COMPLIANT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2687 (S.B. No. 2799, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2687 was adopted and S.B. No. 2799, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CLEAN HAWAII CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2688 (S.B. No. 2501, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2688 be adopted and S.B. No. 2501, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Kawamoto rose to support the bill as follows:

"Mr. President, I rise to speak in favor of S.B. No. 2501, S.D. 1.

"Mr. President, in 1996 we passed this preference bill with all saying 'aye.' In 1997, in Conference Draft 1, three days prior to the session ending, we reduced this preference. Again, Mr. President, this is about local resident jobs and local contracts, especially when it's public works with Hawaii's dollars. Take for example the convention center, \$250 million. They allowed 90 percent PCL to take control, which is a mainland company; NORDIC, 10 percent, which is a local company.

"The Procurement Office came in opposition to this bill and they indicated that it would cost more money to allow this preference to go by. I'd like to differ with the Procurement Office. I'd like to say that maybe, maybe we wouldn't have saved as much, and I cite one example -- if we, the Legislature, decide that a CIP project should go for \$1.5 million, we let out the bid, a mainland company comes in and bids \$1 million, a local company comes in and bids \$1.1 million. With the mainland company, we may have saved \$500,000. With the local company, we may save \$400,000. But, I'd like to say that with the local company, \$1.1 million would stay in Hawaii and the \$1.1 million would work towards our economy. If we go with the mainland bidder, he comes in, takes a 20 percent profit and takes it back to Seattle or California, we only have \$800,000 in Hawaii.

The same procurement officer told me that if you had a pen that's worth \$1 or a pen that's worth \$1.15, what pen would you buy? I answered this by saying, it all depends. I cite

another example. When I was running for election, I decided I wanted to buy a staple gun. I wanted to pay \$20 for the staple gun. I went to Arakawa Store and bought a staple gun for \$19. I was happy because I saved a dollar, but I knew that if I went to Eagle and bought the same staple gun, I would pay \$16 -- \$3 less. But I paid \$19 because I know that if I buy the staple from Arakawa Store, I know that this family would provide me with a Corp Counsel, would provide me with a coach at Waipahu High School, this family would provide me a counselor at Kamehameha School, and I also know that the \$3 more that I paid would come back to me as a donation or as in-kind support for my non-profit organization.

"Therefore I say again, we need this preference bill. We need to keep the money in Hawaii and the jobs in Hawaii.

"Thank you."

Senator Sakamoto rose to speak on the measure and said:

"I'd like to speak with reservations. I'm not going to speak about staple guns, though.

"Just on the subcontractor provision part, on bid day, general contractors have a very hectic and difficult time collecting subcontractor bids by telephone, by fax, some come in the mail. To determine who's qualified is a very difficult procedure. So, we want, ultimately, responsible bids for the state. So we need to consider how to streamline or how to work this section related to subcontractors so we don't overturn the purpose of the bill and end up with irresponsible bids."

Senator Slom rose in opposition to the measure and said:

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

"I don't know about staple guns and campaign contributions, but I do know that this, again, really has to do with choice and people should always have the choice as to where they buy things. And we should give them choice in terms of what the costs and the quality are of certain items, including construction.

"I don't think that any evidence has been presented that with the preference bill that's been in effect, that we have generated and protected more jobs. In fact, the arguments just a few minutes ago on project labor agreements would seem to indicate that it's not worked because we have seen companies come in from other states to do jobs here.

"In addition to that, though, I think that it can be clearly shown that if we provide a 15 percent preference, that we are raising the cost of construction projects and probably more than for that elusive stapler. But I think the bottom line on all this is that we have fine construction companies here; we have fine construction workers here. What they have been asking about for years is not additional special preference. What they want is a level playing field and they want an improved business climate. And that should be our first order and that should be our priority.

"Thank you, Mr. President."

Senator Fernandes Salling then said:

"With reservations, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2688 was adopted and S.B. No. 2501, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE CONTRACTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 2689 (S.B. No. 3127, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2689 be adopted and S.B. No. 3127, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Taniguchi rose and said:

"Mr. President, would you note my reservations on this bill."

The Chair so ordered.

Senator Sakamoto rose to speak against the measure and said:

"Mr. President, I rise to speak in opposition to this bill.

"Payments to subcontractors are sometimes withheld for specific reasons -- be it questionable work, be it not completing certain documents, many different causes. This bill proposes to let our state DAGS controller start to be a mediator in working out payment clauses.

"Last session, a bill related to subcontractor payment problems did pass this Legislature. It was patterned after the federal Miller Act where subcontractors can go after the bond of a general contractor for nonpayment. I believe many of these payment issues have been addressed and we don't need our controller to get involved with contract matters that are held. Let's let last year's measure work and not create more problems."

Senator Kawamoto then said:

"Mr. President, W/R for me, please. Thank you."

The Chair so ordered.

Senator Anderson rose to speak on the measure as follows:

"Mr. President, I have some reservations on this and I understand what the good Senator from Moanalua stated on this.

"I do know of instances where it's hard for a contractor who's been on a job and hired subcontractors and if he's not paid in time for that particular job, it's hard for him to come up with the up-front money to pay the subcontractors, especially on public bids.

"If the state or the county . . . if you bid on a job, everybody says we have laws in place, that they're going to pay you in 45 days. Read my lips, it doesn't work. We've gone 120 days, in some cases, where they don't pay on time. And they can come up with all kinds of reasons -- I thought; let me double check with the department; it's my understanding right now; we thought you were in this department but you are in this one. There's all kinds of reasons for people to come up and not pay a contractor on time so that they can pay their bills like everybody else.

"So those are my reservations and I just wanted to express them. Thank you."

Senator M. Ige rose and said:

"Mr. President, this particular measure was our small business bill of, I guess, this session. We thought that we were helping all of the little subcontractors by requiring a payment no later than 10 days once the contractor gets paid. We have instances where a little subcontractor was not paid for 18 months or 24 months for no legitimate reason. All this bill does is to say, if there are no legitimate disputes, that the little small business person must be paid within 10 days of that general contractor receiving his check.

"Thank you."

Senator Slom then said:

"Mr. President, reservations, please."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2689 was adopted and S.B. No. 3127, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Sakamoto). Excused, 1 (McCartney).

Stand. Com. Rep. No. 2690 (S.B. No. 3220, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2690 be adopted and S.B. No. 3220, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to oppose the measure as follows:

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

"Five years ago we doubled the conveyance tax. Now, we're planning to double the conveyance tax again at a time when people are trying to re-finance their housing and they're getting new mortgages. And the problem with the conveyance tax is we're now using the conveyance tax for all kinds of things besides conveyance -- 32.5 percent of the proceeds will be paid to the Rental Housing Trust Fund; 12.5 percent will be paid to the Natural Area Reserve Fund; 20 percent for equipment modernization; 10 percent to Housing and Community Development Corporation for homeless assistance.

"It looks like we'll be back again in another couple of years to double the amount once more. I think it's a bad precedent. We should leave the conveyance for the conveyance of real property and lower the rates.

"Thank you, Mr. President."

Senators Solomon, Sakamoto and Anderson then requested their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2690 was adopted and S.B. No. 3220, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (McCartney).

Stand. Com. Rep. No. 2693 (S.B. No. 2418, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2693 be adopted and S.B. No. 2418, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to speak against the bill and said:

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

"Again, for the same reasons, this bill doubles the fee that we're paying. And we also have a problem -- we haven't been able to get rid of the glass that we have mandated to be recycled in the past.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2693 was adopted and S.B. No. 2418, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (McCartney, Taniguchi).

Stand. Com. Rep. No. 2695 (S.B. No. 3177):

Senator Baker moved that Stand. Com. Rep. No. 2695 be adopted and S.B. No. 3177, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Tam rose to support the measure as follows:

"Mr. President I rise to speak in favor of S.B. No. 3177, relating to financial reporting of the Department of Education.

"The purpose of S.B. No. 3177 is to essentially require the Department of Education to adopt a full-cost, expenditure reporting system for all lower education programs, including student transportation and school physical plant operations and maintenance.

"Senate Bill No. 3177 will provide legislators and the state governor with public budgetary data to adequately budget Hawaii's public education programs for our students, rather than guessing.

"As a former budget analyst and as co-chair of the Senate Education Committee, I do not wish to have staff continue to experience 20-hour days in order to break down the financial information from the Department of Education's broad and general information given to us in order to adequately budget for the educational programs. Legislative staff should not have to experience such punishment.

"Once again, this legislation will assist us in budgeting the needs for public education. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2695 was adopted and S.B. No. 3177, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL REPORTING OF THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Anderson, Taniguchi).

Stand. Com. Rep. No. 2696 (S.B. No. 2689, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2696 be adopted and S.B. No. 2689, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto rose to speak on the measure and said:

"I rise in support with reservations, Mr. President.

"In the testimony when I asked about the cost impact, it either wasn't clear or maybe claims were made that there's no cost. My real question is whenever you address the Employees' Retirement System the taxpayers eventually pay the cost until the program is fully funded. And we're approaching the ERS saying, it's fully funded. We haven't got their answer relating to the cost, Mr. President."

Senator Slom supported the measure as follows:

"Mr. President, I rise in support with reservations.

"It's my understand that the Employees' Retirement System did object to a major section of the bill and I don't think that the bill was amended to reflect that opposition.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2696 was adopted and S.B. No. 2689, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2697 (S.B. No. 2814, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2697 was adopted and S.B. No. 2814, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2699 (S.B. No. 2964, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2699 be adopted and S.B. No. 2964, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator M. Ige rose to speak on the measure and said:

"Mr. President, I seem to be going against the grain on this particular measure. Seems as though everyone supported the transfer.

"I just want to review with you a few notes from Mr. Stan Siu of the Employees' Retirement System. My first point is that . . . ."

Senator Ihara interjected:

"Point of information, Mr. President. Are you speaking for or against the bill?"

Senator M. Ige replied:

"I'm speaking in opposition to this measure.

"Mr. Stan Siu's note in 1987 said that the unfunded liability of the Health Fund was almost one billion, and if this bill were to pass, it's possible that the unfunded liability portion would increase to between three and five billion.

"The other point that I'd like to make is that the Health Fund seems to be rising at an alarming rate and what we have is approximately 10 percent a year. So, from 100 million in '94, it's now up to 120 million in 1996. Mr. President, we owe it to all of our state employees, our retirees, but I think most importantly to those who will be beneficiaries of this system, to proceed with extreme caution.

"I urge my colleagues to defeat this measure here today, right now. Thank you."

Senator Iwase rose in opposition to the measure and said:

"Mr. President, I'm rising to speak in opposition to the bill.

"It's basically for the same reasons, some of the reasons articulated by the Senator from Kaneohe. I'm surprised the bill moved forward, given the testimony of Mr. Shimabukuro on



behalf of the ERS. I think I said at the hearing that it was devastating.

"Beyond what the Senator from Kaneohe mentioned -- that the ERS unfunded liability could be increased by as much as three to five billion dollars (billion with a 'b') with this bill -- let me go over some other concerns that he pointed out, and I'll quote from his testimony. The cost shift will, 'have an immediate adverse impact on the state and county government bond rating and their ability to issue general obligation bonds because of the huge unfunded liability that would have to be disclosed.'

"A third concern -- the increasing cost of the retirees' health benefit plan was pointed out by Mr. Shimabukuro. The annual health benefits cost increased \$20 million just in the last two years. And he points out that if the health benefits costs continue to increase at the current rate, annual expenditures could exceed \$500 million within the next 14 years.

"A fourth concern mentioned by Mr. Shimabukuro -- increased cost to state and county government, the general fund. I quote from his testimony: 'In fact, the annual state and county governments' billings by ERS will be much larger than the \$121 million last year. It will probably exceed \$200 million each year.'

"Fifth point -- 'The transfer of the retirees' health benefits obligation will weaken the Retirement System.'

"Sixth point -- this bill 'initiates a funding technique that is similar to the federal government's raids on the social security fund to pay for other federal programs.'

"We are very concerned that S.B. No. 2964 will ultimately jeopardize both the ERS retirement and the Health Fund retiree program.

"Those are the concerns raised. I do want to add one more point to what the Senator from Kaneohe mentioned in his ... I don't know who he was alluding to about being supportive of the bill. I heard a lot of caution expressed by those who testified, but opposition was expressed by the Coalition of Hawaii State County's Retirees.

"Mr. President, we could have amended this bill. If we wanted to move a title forward, we could have moved the title forward, but we are asked to vote on a bill that ERS says is going to be devastating in its impact and I can't do that and I'm going to vote 'no.'

"Thank you."

Senator Tam then added:

"Reservations for me. Thank you."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2699 was adopted and S.B. No. 2964, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES HEALTH FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 10 (Aki, Anderson, Bunda, Fernandes Salling, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka).

Stand. Com. Rep. No. 2700 (S.B. No. 2876, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2700 be adopted and S.B. No. 2876, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose and said:

"Mr. President, I just rise in support of the measure with reservations, and the reservations are because while we're trying to be sensitive and understanding, we are removing the '93 federal poverty level and using the most current poverty amounts which means that we are going to increase the cost of general assistance even further in the State of Hawaii.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2700 was adopted and S.B. No. 2876, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2703 (S.B. No. 3206, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2703 was adopted and S.B. No. 3206, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL OFFENDERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2704 (S.B. No. 1638, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2704 be adopted and S.B. No. 1638, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Solomon rose to speak on the measure and said:

"Mr. President, I'm just speaking with reservations on this bill. I just would like to inform my colleagues that the Office of Hawaiian Affairs did not submit any kind of supplemental budget request and I just would like to note that for the record.

"Thank you, Mr. President."

Senator Anderson then added:

"W/R for me too, for the same reasons."

Senator Iwase added:

"A W/R also. Thank you."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2704 was adopted and S.B. No. 1638, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS BUDGET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Fernandes Salling, Ige, M.).

Stand. Com. Rep. No. 2705 (S.B. No. 3232, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2705 be adopted and S.B. No. 3232, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Iwase rose to oppose the measure as follows:

"Mr. President, I rise to speak in opposition.

"Mr. President, this bill seeks to abolish all boards and commissions in the Department of Commerce and Consumer Affairs, and in the spirit and intent of down-sizing and streamlining government, we should be looking at boards and commissions and which boards and commissions should survive. But it should be a thoughtful review and in line with the governor's charge in his budget message. His budget message says, 'The government responsibilities have to be limited to what it should do, rather than what it can do.' This bill assumes that all boards and commissions within the DCCA should be abolished and have no value. And I disagree with that.

"Certain of these boards and commissions regulate professions which require unique and specialized skills, for example, the health professions. Another example would be the architects, engineers, and land surveyors. These boards regulate the qualifications needed to be licensed, as well as to render judgments in disciplinary action against licensees. The board compositions for these skilled professions include professional members as well as public members and provide a mix and expertise to insure that the public interest is protected.

"Mr. President, the first priority of our licensing laws is to protect and insure the public health and safety. And for some of these boards and commissions, their retention is of critical importance in insuring that the public is protected. I suggested at the WAM hearing, it was a suggestion put forth in good faith, that we perhaps follow what was done under Chapter 26H -- have the auditor conduct a sunset review, which is a thoughtful review with a scalpel and not a butcher knife, and come back to us next year and tell us what boards and commissions we should sunset. And that was not accepted and we're moving forward a bill that abolishes all these boards and commissions.

"Mr. President, when I was a deputy attorney general, I used to do these cases. We had three cases against doctors that involved professional misconduct. One was Dr. You; one was Dr. Gail Li and the other was Dr. C. Stanard Smith, prescribing drugs. And I'll tell you that the doctors who served on the board provided good insight to us in assisting in bringing resolution to these cases. They are very complex things that happen in these professions that require their insight.

"Ms. Matayoshi is a great lawyer and a good person, but she does not possess the expertise needed to have rules promulgated regulating the profession and to make decisions about what constitutes professional misconduct, gross negligence in the practice of medicine, or nursing, or osteopathy, or naturopathy.

"This bill just goes too far, it is too sweeping, and it's not thoughtful and I cannot support it.

"Thank you."

Senator Solomon also rose in opposition and said:

"Mr. President, I'm also speaking in opposition and Mr. President, I'd like to include the remarks of the Senator from Mililani as though they were my own.

"Also to add, Mr. President, I had the privilege of chairing your Committee on Executive Appointments in which your committee sat through countless hours of testimony regarding these professional and vocational license boards and commissions. I was really surprised to see how many people came forward to testify in their support, being that they did have problems and they did access these boards for help. These boards are very responsive to these individuals.

"Mr. President, I'm urging all my colleagues to take that into consideration. I feel that although some of these boards and commissions may not be appropriate and may not be needed, we should go through some kind of extensive review process to determine which should stay and which should go.

"I'm very much in favor of streamlining the government. I am very much in support of that but because the professional, vocational licensing boards and commissions are involved, I feel that we should proceed cautiously, Mr. President. And with that, I will be voting 'no.'

"Thank you."

Senator Tam rose in support of the measure and said:

"Mr. President, I rise to vote in favor of S.B. No. 3232, relating to professional and vocational licensing boards and commissions, with reservations.

"The intent of this bill is to downsize Hawaii's state government by abolishing professional and vocational boards and commissions. My concern is where this bill eliminates the purpose of government to protect the health and safety of consumers.

"I understand that as this bill moves along in the legislative process, the health and safety concerns will be addressed.

"Let me give you an example of why I am concerned. As many of you know, I'm involved with the Chinese community and one of the health care practices in the Chinese community is acupuncture. I've had many friends who have approached me and asked me if they should take acupuncture for muscle spasms. And I say yes, try it, because it's licensed; we have a board of acupuncture which safeguards your health and safety.

"Thank you."

Senator D. Ige also rose in support of the measure and said:

"Mr. President, I rise to speak in support of this measure.

"This is a measure aimed at streamlining and making government more efficient. We have been thoughtful in our review of the boards and commissions. As you well know, the legislative auditor does sunrise reviews on all boards and commissions on a scheduled basis. In almost every instance, the auditor finds that the board is not necessary for protection and insurance of the public welfare, but the legislature continues to support the continued sustenance of most of these boards and commissions.

"The CPI Committee, in looking at all of these, did look at the committee activities of the boards, trying to make a determination about whether it was appropriate and necessary. We have consulted with the department, and in their testimony they respond that because they have the authority to reform advisory committees, the available expertise lost with the repeal of the boards could be filled by advisory committees on an as needed basis. Therefore, clearly this measure would allow us to help streamline and, over the long run, reduce costs of regulating these professions.

"I urge all of my colleagues to vote in support."

Senator Iwase rose again and said:

"Just in response to the comments of the previous speaker who said that they conducted a thoughtful review. I'm sure they conducted a lengthy review. I don't know if it was thoughtful because the result was that they are going to eliminate all of them. And while I agree, having been here for eight years, that we are often very reluctant to take the advice of the auditor, unfortunately, when she offers to suggest that boards and commissions should be sunsetted, I would like to ask if she's ever suggested that the Board of Medical Examiners be sunsetted, or the Board of Nursing, or the Board of Osteopathy, or the Board of Naturopathy, or the Chiropractic Board, or the Optometry Board, or the Dentistry Board. Do we have that list, Senator? Have they been, as a point of inquiry,

sunsetting? There's a recommendation to sunset them by the Auditor?"

Senator Metcalf then replied:

"Mr. President, we can give you the information with respect to the auditor, but with respect to the department, they did testify in support of all those boards and commissions that have been deleted by this bill.

"Thank you."

Senator Iwase questioned:

"Did they testify in support of deletion of the Contractors Licensing Board?"

Senator Metcalf answered:

"That was the determination. Yes, they did."

Senator Iwase continued:

"Real Estate Board?"

Senator Metcalf responded:

"That's correct."

Senator Iwase further inquired:

"Elevator Mechanics Board?"

Senator Metcalf answered:

"That's correct."

Senator Iwase questioned:

"But you put them back in, did you not?"

Senator Metcalf replied:

"That's correct. That was part of our thoughtful deliberation process."

Senator Iwase then said:

"Lengthy, lengthy. Thank you very much.

"Well, Mr. President, to go back to what I said, the reason I asked the question was in response to the statement that the Legislative Auditor has suggested that some of these boards be sunsetted. Go back to the Legislative Auditor and also the comment that it was a thoughtful review. And I assume that if it was thoughtful and if you're going to refer to the Legislative Auditor, we would know, today, if the Legislative Auditor suggested that those health boards be sunsetted.

"Having worked with those boards and having been involved with cases involving doctor license revocation or health profession license revocation, the background that is needed to ensure that those who are licensed in the health care profession are qualified, advisory boards aren't going to do it. And for all of what the Department says, I disagree vehemently after having spent six years there working as an advisor, advising deputy AG to some of those boards and the quote, unquote, prosecuting deputy AG for some of those boards, those health professions need professional members.

"And until I see that the Auditor has said that the doctors can be eliminated and the nurses and the dentists and the optometrists and the naturopathist, the whole gamut, I cannot support this bill. And I don't think it's going to protect health, safety and welfare and it is not thoughtful.

"Thank you."

Senator Sakamoto rose in opposition and said:

"Mr. President, I also rise in opposition.

"I don't want to speak on every measure, but after hearing what's discussed and looking at the whole course of all of the bills, we may be deleting positions. I was a board member and I wasn't paid. We're deleting all these unpaid positions who are doing all of this work, voluntarily, to help regulate professions. And now we're saying, get rid of the volunteers, get rid of them. Then we say, okay, maybe we'll penalize now. We want authority to penalize. We want authority to police. We're kind of convoluted over here.

"The volunteers are doing work and maybe some deserve sunsetting, some deserve meeting less, but we're kind of going in the wrong direction when you're having the unpaid guys downsized, and then you're saying, oh, we downsized government; let's look at how we can use the volunteers more."

Senator Slom also rose and said:

"Mr. President, reservations please."

The Chair so ordered.

Senators Bunda, Anderson and Kawamoto then requested their votes be cast "Aye, with reservations," and the Chair so ordered.

Senator Metcalf requested the following remarks be inserted into the Journal:

"Mr. President, I rise to speak in favor of S.B. No. 3232, S.D. 2, A Bill for an Act Relating to Professional and Vocational Licensing Boards and Commissions.

"This measure seeks to implement the recommendations of the Economic Revitalization Task Force by finding ways to streamline government.

"In light of the state's austere fiscal situation, this measure achieves financial savings by streamlining government operations, while continuing to provide necessary consumer safeguards and services to the public.

"This measure achieves significant reform in the way licensing and regulation of professions and occupations is handled in the state. The elimination of most boards and commissions and the transfer of these responsibilities to the Director of Commerce and Consumer Affairs downsizes a current system that is large and inefficient. This transfer promotes efficiency in state government by reducing costs and streamlining the administrative and decision making process.

"Senate Bill 3232, S.D. 2, also maintains the current level of services to the public by providing necessary law enforcement and consumer protection functions. Existing law allows the Director of the Department to convene administrative panels when necessary and appropriate that can consider matters such as promulgation of rules and regulations. This measure becomes a vehicle for further discussion on the matter of reducing the state's budget without compromising government services to our citizens.

"Our constituency has made it very clear that they wish to see smaller, more cost effective government that is both efficient and accessible. Therefore, this measure is a significant step in addressing the concerns and needs of our citizens. The goal of streamlining government is one pillar among many that supports economic revitalization in our state. Thus, I urge my colleagues to vote in support of this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2705 was adopted and S.B. No. 3232, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING BOARDS AND COMMISSIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Fernandes Salling, Ige, M., Iwase, Sakamoto, Solomon, Tanaka).

Stand. Com. Rep. No. 2710 (S.B. No. 2246, S.D. 2):

On motion by Senator Chumbley, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 2710 was adopted and S.B. No. 2246, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN CONTRIBUTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2711 (S.B. No. 2423, S.D. 2):

Senator Chumbley moved that Stand. Com. Rep. No. 2711 be adopted and S.B. No. 2423, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Chumbley rose in support of the measure and stated:

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

"Mr. President, your Committee on Judiciary, working in collaboration with your Committee on Human Resources, worked diligently on the language of this bill, proposing amendments to ensure that the focus of this measure was, in fact, on protecting employees while not unduly restricting business operations. This will give employees an opportunity to report a violation that poses an immediate or serious danger to the public health, safety, and welfare, without the fear of retaliation of losing their jobs.

"I do have some further additional comments to be inserted in the Journal and would urge all my colleagues to support this measure. Thank you."

The Chair having so ordered, Senator Chumbley's additional remarks read as follows:

"Mr. President, your Committee on Judiciary believes that we were able to reach a balanced compromise in this measure after consulting with both business and employee representatives. We worked diligently on the language and proposed amendments to ensure that the focus of this measure was on protecting employees while not unduly restricting business operations. Specifically, we eliminated language which was overly broad and added definitions so that this law would not be left to interpretation by either employees or employers. We clarified that employers must act ethically, if an employee is governed by a professional code of ethics, and required that employees may report a violation that poses an immediate or serious danger to public health, safety, and welfare. We changed the statute of limitations to 180 days, which conforms to Hawaii's fair employment practices law, and we deleted the ability for a judge to dismiss an employee, leaving that up to the business or agency for whom they work."

Senator Anderson rose to speak on the measure and said:

"Mr. President, I'll be going with reservations on this particular measure. I'm not sure if it's this bill or another one on whistleblowers that we were even going to give them a portion of fines, etc. For those reasons, I will be going with reservations. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2711 was adopted and S.B. No. 2423, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE PROTECTION UNDER THE WHISTLEBLOWER LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 3:33 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:43 o'clock p.m.

Stand. Com. Rep. No. 2712 (S.B. No. 3084, S.D. 2):

On motion by Senator Chumbley, seconded by Senator D. Ige and carried, Stand. Com. Rep. No. 2712 was adopted and S.B. No. 3084, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE INFORMATION CONFIDENTIALITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3037, S.D. 1:

Senator Chumbley moved that S.B. No. 3037, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator M. Ige rose for a conflict ruling as follows:

"Mr. President, I rise to speak in support of this measure but I would like to ask for a ruling on a possible conflict of interest. I have a Bishop Estate lease in Kaneohe."

The Chair then stated:

"No conflict, you may vote."

Senator M. Ige continued:

"Mr. President, the first thing I want to mention is that I appreciate what both of the Judiciary chairs went through in coming up with the language of this measure. Senator Chumbley and Senator Matsunaga, I appreciate their courage on this and I'm very satisfied with the language. I believe that by leaving it up to the courts to determine what is reasonable and unreasonable is fair and just.

"Mr. President, I do have one concern and it has very little to do with the measure itself. Basically, it was with the attorney general's testimony. And I asked the attorney general where did he get the language when he said 'it lends itself to the inevitable result that trustees will be inclined to spend more of the estates assets to justify excessive compensation.' It led people to believe that the trustees presently get rid of property to take care of themselves, to raise money for themselves. And what hurt me the most was, the attorney general said those words were based on a hunch.

"Mr. President, I believe it's irresponsible for anyone, especially the attorney general, to come before the Senate and give testimony based on hunches. I think it hurts people and it paints a cloud that may not be accurate. And I sincerely hope that the attorney general in the future, presents the facts so that the legislators can make the best decision possible on behalf of the people of this state.

"Thank you."

Senator Anderson rose to speak on the measure as follows:

"Mr. President, I, too, have reservations.

"I believe the Senator from Kaneohe expressed himself very well with some of my concerns. But I personally don't think that I would like to give up, always, our responsibilities as far as legislators. We used to be able to raise the percentages or lower them as needed. And when the case was brought before us, I've said the other day that I believe the Hawaiian community is the ones that should get together, meet with the trustees, come up with what they feel is right and just, and then come back and tell us what they have decided on.

"I believe there is a lot of misinformation the community has had, misinformation the legislators have had, and I just feel that we here are not doing our job by saying we're going to give it to the courts and let them make up their minds. I would hope that we would have said that the Hawaiian community together should come up with something that's responsible. You always vote for taskforce. You could have appointed a group from leaders within the Hawaiian community and not just Kamehameha alumnus.

"So that's what I believe in and that's why my reservations are there. Thank you."

Senator Solomon rose in support of the measure and stated:

"Mr. President, I will be speaking in support of this measure.

"Mr. President, I think it's a step in the right direction. However, I feel that this measure should have removed any computation of compensation from the sales of the trust corpus, lease fee, or any other capital transaction. It should have limited the compensation base only to lease rents, interest, dividends, and participations in income projects or profit making ventures. It should not be computed on gains of sales of leased fee, passed through real property taxes or reimbursements, or the like.

"The bottom line, Mr. President, is I felt that the language in the original bill was much, much stronger and this is in reference to page 2, subsection (b). And I'm hoping as this bill does advance through the legislative process, that we could reconsider this position, because I feel that in the reconsideration of this position that this would help relieve a lot of people who have expressed grave concerns to Bishop Estate in particular. Thank you."

Senator Chumbley rose in support of the measure and said:

"Mr. President and members, traditionally, private charitable trusts are established to benefit a limited number of beneficiaries who fit certain criteria as delineated by the benefactor. Therefore, government oversight is generally unnecessary and is limited to monitoring their tax-exempt status. Further, the trustees who manage the trust often either serve without compensation or with limited financial gain. Thus, there must be a compelling state interest in setting trustee compensation in order for us to be passing this measure.

"Your Committees on Judiciary and Ways and Means are responding to the requests of many constituents who requested that some state intervention was necessary regarding trustees' compensation. Thus, after consultation with these groups and persons knowledgeable about trust law, we are recommending that our state law follow the federal guidelines as established by the Internal Revenue Services which suggests that trustee compensation be measured by a standard which is 'reasonable' under the circumstances. Further, we are recommending that this standard apply to existing and new trusts, unless the trust agreement specifically addresses trustee compensation and that agreement shall supersede state law.

"Mr. President and members, I urge all of you to support this measure. Thank you."

Senator Anderson rose again and said:

"Mr. President, just a point of personal privilege, if I may, or information that came from the Senator from Maui.

"Yes there is a federal law and I'm sure it spells out charitable trust, but, unfortunately for us, the laws that we have before us are from the mainland. They are western laws. The laws that we had prior to, were our laws and we believed that you could have leased land. And we changed the law. And when we were fighting some years back against the way it was done, the majority did nothing and allowed the charitable trust, if you want to call it that, but the trustees' pay to go up. And when I was in the House in the '70s and the '80s and I said let's get rid of the land reform act which is causing this, no one even wanted to take care of it. And that's what frustrates me more than anything else.

"Whenever we go to any hearing, they bring up laws that we have today. And they try to make it sound like we're not very bright and we should understand all the laws that have come down from other parts of the world. And because we have some disagreement, we're not looked upon as being very bright, such as the building a prison in Ka'u. People from the mainland said you don't understand, this is spiritual. This is Tutu Pele's place. They're using my culture against me. And I told them, had it not been for our laws, we didn't have anybody going to jail. We would put them to death with our kapu system. That's why we had the City of Refuge. If you could make it, you were safe. Those were our laws, just like the land reform act that was brought was not ours. We marched against it.

"So I have some trouble and that's why I'm with reservations. You're saying we're going to take and use all of the western laws because somebody understands the trust laws and it's very simplified what they will get. They get no dollars at all, that's all right. The only thing that I'm concerned about is that when we came up with what we thought were solutions, nobody cared because they were putting their people there. So they didn't want to get involved in the fights that we were having. And I still have reservations."

Senator McCartney rose to support the measure and said:

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

"Mr. President, I'd like to thank the two co-chairs of the Judiciary Committee and the Ways and Means Committee. I think this bill is a step in the right direction. And I think in the long run, Kamehameha Schools/Bishop Estate will be a much better entity for this. I think it's a good public policy for all charitable trusts.

"And I'm just reminiscing, Mr. President, I remember eight years ago in this very chamber where a similar bill came to the floor, where a then Senator from Makiki challenged the Senate leadership to put the bill on the floor, and the bill came to the floor and the bill was voted down by this body to adjust the cap on trustees' compensation.

"I think it's a great day today that this body is addressing that and doing something which is good for the people of Hawaii and good for everyone involved.

"Thank you."

Senator Slom rose and said:

"Reservations please."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 3037, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE TRUSTS," having been read throughout,

passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3230, S.D. 1:

Senator Chumbley moved that S.B. No. 3230, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Solomon rose to speak on the measure as follows:

"Mr. President, I'll be voting on this bill with reservations.

"I know this is on the Big Island, but I'm not sure. Maybe the Senator from Hilo can yield or my fellow colleague. Is Kulani Prison situated in the district of Ka'u?"

Senator Metcalf replied:

"Not at this moment, Senator." (Laughter.)

Senator Solomon responded:

"That very response is the reason why I will be voting with reservations. I still feel very strongly that Kulani Prison should be a viable option. From reading the committee report and bill, I know that we are just targeting the Ka'u area. I have advocated that very strongly since we first discussed the possibility of prison expansion for the Big Island is to look at the Kulani site.

"And with that, Mr. President, that is the reason why I will be voting with reservations and hoping, as this bill advances, that perhaps we could get a much broader option. And I'm hoping that maybe Kulani Prison could be included as a possibility. Thank you, Mr. President."

Senator Slom rose to speak on the measure as follows:

"Mr. President, I'm voting with reservations also, and the reservations have to do with the appointment procedure of the people for the commission. I think it should be more community-based and not appointed by the Governor, the Speaker and the President. Thank you."

Senator Anderson also rose to speak on the measure and said:

"Mr. President, I will be voting W/R on this primarily for the reasons that I stated earlier, but also because of the committee that went up there. It's a lack of communication with the people in Ka'u. No one told them where the site is going to be. All they did was say we're looking at three areas. The information that they got when I talked to them after, was almost nil. The governor had been in the day before and then he was out. They didn't even get a chance to talk to him to find out where the site was going to be, what kinds of jobs were going to be provided for the residents in Ka'u. There's a lot of unanswered questions and that's because of lack of communication.

"I'll go with reservations. Thank you."

The motion was then put by the Chair and carried, S.B. No. 3230, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2329, S.D. 1:

Senator Chumbley moved that S.B. No. 2329, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Iwase rose in support of the measure and stated:

"Mr. President, I'm rising to speak in support of the bill.

"Mr. President, this is a bill on hate crimes that I've been putting in for about seven years now and this is not my bill and I commend the Senator from Makakilo for putting it in. This is a good bill. It's needed. But I did have a question that I wanted to ask perhaps the chair of the Judiciary Committee because the bills I have been putting in did not include as a hate crime, acts against those with a political affiliation. And I wanted to know what that meant. If any of the co-chairs of the Judiciary Committee knew what that meant or could give me an example of that."

At 3:59 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:01 o'clock p.m.

Senator Iwase continued:

"Thank you, Mr. President, I did get a clarification of the language. Political affiliation meant what I thought it meant. And it means that the Senator from Hawaii Kai cannot do anything unusual to the Senator from Waianae, but he could do something unusual to the Senator from Waimanalo because they have the same political party. A democrat can't go fighting a republican, etc.

"Having talked to the co-chairs, asking that it be deleted or if it can be as this thing moves along, because this hate crime issue, Mr. President, is a serious one. And I've been putting this bill in every year because of the rise in hate crimes, particularly against Asian Americans on the mainland. The Vincent Chin case out of Chicago I believe it was. In North Carolina where an Asian American, Vietnamese I believe, outside a pool hall had a beer bottle smashed into his face and he died. And it happened to him because he was Asian American. The case in Florida. And when I was up on the mainland last year, a trial about an Asian American who was killed because he happened to walk by a basketball court at the wrong hour of the night in Los Angeles.

"But it's not just about Asian Americans, it's about people of color. And this bill has been put in to deal with those kinds of violent acts against a category of individuals motivated by hate. And they are crimes against an individual because of race, religion, national origin, and sexual orientation. And if we start adding to this bill, all acts of violence -- football teams 'beefing' on the football field, that's an act of violence; that's caused in anger; that may be caused in hate; that's not a hate crime -- it would cheapen this bill and what it attempts to do. And I'm pleased that the Judiciary co-chairs understand this and they're going to work on it.

"So I'm going to vote on this with reservations, Mr. President. Thank you."

Senator Slom rose to speak with reservations and said:

"Mr. President, I, too, am going to vote with reservations on the bill.

"Certainly we want to outlaw hate crimes, but the bill as it is drawn is extremely broad and if you do a very careful reading of the bill, you find a number of inconsistencies and some bad execution within the bill.

"However, I would like to disagree with my colleague from Mililani. I think we should keep the provision of political affiliation in, because then we can prosecute those of you that say that republicans are mean spirited and don't have a heart.

"Thank you, Mr. President."

Senator Chumbley rose in support of the measure and said:

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

"Although the bill, as interpreted by the previous speaker, may be somewhat unclear, I can assure all the members that there is no enhanced penalties such as execution in the measure.

"I'd like to commend the Senator from Mililani for his efforts over the past seven years for introducing and keeping this measure before us. Fortunately, this year was a much better time to deal with this issue than the previous years, so I'd like to acknowledge his work for that.

"I request that my additional written comments be submitted for the Journal. Thank you."

The Chair having so ordered, Senator Chumbley's remarks read as follows:

"Mr. President, for several years, there has been debate on the mainland about the increasing number of 'hate' crimes -- offenses that are spurred by bigotry or hatred of someone else based upon their race, ethnicity, religion, national origin, or sexual preference. Fortunately, in Hawaii, we are more tolerant of others, and hopefully a 'hate' crime is the exception rather than the rule. However, in order to show our solidarity with other jurisdictions that have enhanced criminal penalties and reporting requirements for 'hate' crimes, we agreed to pass this measure. Further, this measure will also allow for standing in civil causes of action based upon the same categories applicable to 'hate' crimes."

Senator Iwase then added:

"Mr. President, I didn't mean to say that I was going to vote with reservations. I am going to vote straight up on the bill as I said at the beginning of my speech.

"In response to the Senator from Hawaii Kai, I would think that even with this bill -- mean spirited and heartless -- the truth is still a defense. Thank you."

Senator Anderson then said:

"Mr. President, would you put me down with reservations. I hated the bill and I was going 'no,' but now I'm only going with reservations. Thank you."

The motion was then put by the Chair and carried, S.B. No. 2329, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL RIGHTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2525, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Chumbley and carried, S.B. No. 2525, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TELEMARKETING FRAUD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2722 (S.B. No. 2850, S.D. 2):

Senator D. Ige moved that Stand. Com. Rep. No. 2722 be adopted and S.B. No. 2850, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chumbley.

Senator Slom rose in opposition and said:

"Mr. President, I'm going to vote 'no' against the bill simply because again we're creating a new crime and we're talking about solid waste violators going to prison. I don't support solid waste problems, but I think that we should address them in another way. Again, this is another way of looking at our whole problem with prison overcrowding."

Senator Sakamoto rose to speak on the measure and stated:

"Mr. President, I rise in support of the intent but also with reservations related to the penalties.

"Sometimes a business owner or business managers have good intent. One of their employees may get their own idea and then it would be termed an illegal dump. We will run into problems with that and can anticipate them with these great penalties, Mr. President."

Senator Anderson then said:

"With reservations, please, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2722 was adopted and S.B. No. 2850, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

S.B. No. 2414, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2414, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2564, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2564, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2588, S.D. 1:

Senator D. Ige moved that S.B. No. 2588, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senators Solomon and Slom requested their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2588, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VETERINARY MEDICINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Fernandes Salling, Iwase, Sakamoto, Tanaka).

S.B. No. 2589, S.D. 1:

Senator D. Ige moved that S.B. No. 2589, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Slom then requested his vote be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2589, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTISTRY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Fernandes Salling, Iwase, Sakamoto, Solomon, Tanaka).

S.B. No. 2595, S.D. 1:

Senator D. Ige moved that S.B. No. 2595, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senators Solomon, Slom and Anderson then requested their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2595, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHIROPRACTIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Fernandes Salling, Iwase, Sakamoto, Tanaka).

S.B. No. 2598:

Senator D. Ige moved that S.B. No. 2598, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Slom then requested his vote be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2598, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE DIVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Anderson, Fernandes Salling, Iwase, Sakamoto, Solomon, Tanaka).

S.B. No. 2602, S.D. 1:

Senator D. Ige moved that S.B. No. 2602, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Slom then requested his vote be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2602, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LANDSCAPE ARCHITECTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Fernandes Salling, Ige, M., Iwase, Sakamoto, Solomon, Tanaka).

S.B. No. 2610, S.D. 1:

Senator D. Ige moved that S.B. No. 2610, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senators Taniguchi, Slom and Anderson then requested their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2610, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL LAND SURVEYORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Fernandes Salling, Ige, M., Iwase, Sakamoto, Solomon, Tanaka).

S.B. No. 2824, S.D. 1:

Senator D. Ige moved that S.B. No. 2824, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

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

"Mr. President, I rise to speak in opposition.

"In a previous measure, we want to get rid of all the advisory boards. This measure, we want to be policemen. I think we should rather than give out citations and fines, we should help the bona fide licensees. We should not create a policing authority and we should facilitate better business and help the businesses survive, Mr. President."

The motion was then put by the Chair and carried, S.B. No. 2824, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE CITATIONS FOR VIOLATIONS OF THE PROFESSIONAL AND VOCATIONAL LICENSING LAWS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Bunda, Sakamoto, Slom).

S.B. No. 2834, S.D. 1:

On motion by Senator D. Ige, seconded by Senator Metcalf and carried, S.B. No. 2834, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2837, S.D. 1:

Senator D. Ige moved that S.B. No. 2837, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Metcalf.

Senator Slom rose in opposition to the measure and said:

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

"The bill adds credit bureau rating discrimination in the list of prohibited discrimination considerations. Certainly, I think that anyone should be able to take into consideration what a credit bureau rating says about an individual before advancing them any financial leverage.

"Thank you."

Senator Sakamoto then said:

"With reservations. Thank you."

The Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2837, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROHIBITED MOTOR VEHICLE INSURANCE PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:



Ayes, 22. Noes, 3 (Anderson, Iwase, Slom).

Stand. Com. Rep. No. 2748 (S.B. No. 721, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2748 be adopted and S.B. No. 721, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom spoke against the measure as follows:

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

"This bill seeks to increase fees tremendously without any justification why the fees go up, fees including those for the people's court provisions. It's going to make it much more difficult for lower income people and small business people to access the courts. But the main thing is there is no justification for these fee increases.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2748 was adopted and S.B. No. 721, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2750 (S.B. No. 2201, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2750 be adopted and S.B. No. 2201, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Kawamoto rose to support the measure and said:

"Mr. President, I rise to speak in favor of this bill.

"Mr. President, in our TIA Committee we had an opportunity to talk to all the mayors and all the council chairs of all the counties of Hawaii, all four counties. And the bottom line was, keep the counties' revenues whole, and we did all we could and introduced some bills to help that effort. But this bill, I would like to thank the Hawaii Industry Association coming up with this TAT bill that now provides and keeps the counties whole. Therefore, I ask all my colleagues to vote in favor of this bill.

"Thank you."

Senator Iwase spoke on the measure and said:

"Mr. President, like the previous speaker, I'm rising to speak in support of the bill, but with reservations.

"I'd like to, like the Senator from Waipahu, commend the visitor industry coalition for proposing the increase of the TAT to 11 percent, and to the co-chairs of the Ways and Means Committee for adopting that proposal, although as it came out of committee there's another half percent bump to 11.5 percent which is of concern to the visitor industry and I hope it will be addressed.

"My concern, however, is relating to the . . . by the way, it's dropping back. The proposal does, from what was presented to us, make the counties whole. And I guess that's why we don't hear a lot of calls from the counties on their TAT portion.

"The concern I have is relating to the debt service for the Convention Center Authority. When I was in the Ways and Means Committee I asked the question about whether this amount of money given to the Convention Center Authority under this proposal would ratchet up because in the first year the debt service won't be that high. It will ratchet up to maybe \$40 million.

"The proposal from the Visitor Industry Council has \$40 million going to the convention center. And I was told in Ways and Means that this would be taken care of, but under this proposal the Convention Center Authority is not going to be made whole under the debt service portion of the bill. And that is of grave concern to me, Mr. President. The convention center, which has been much debated -- there's still community issues out there -- is of extreme importance to the tourist industry and to this economy as we look for different plans to develop our economy and to get out of the doldrums.

"Island Business magazine just recently issued -- talking about the convention center -- the Lions Club convention 3,000 strong coming to Hawaii in the year 2000, perhaps will generate \$78 million in revenues, and factoring in about 10 percent of that into state coffers, 7.8 million in new state taxes. And quoting the writer of the article, 'If Hawaii sells 15 conventions like this a year, or 30 that are half that size, it will generate a whopping \$117 million more in tax revenues for the coming year.'

"We've got to take care of the convention center, it's built. We've got to deal with the community concerns, that's true. But we cannot have a proposal like this which is going to short change the convention center on debt service. It's going to take a while for the convention center to get out of this, pull out of the doldrums, and we've got to take care of them. And I hope that as this thing moves forward, we're going to make the convention center whole on the debt service or we're going to be creating a problem for the center which may become a money generator for the state.

"Thank you."

Senator Slom spoke against the measure and stated:

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

"I know there was a lot of hard work put into the bill and a lot of changes that have taken place, but I'm speaking against the bill for several reasons. First of all, we're increasing the transient accommodations tax from 6 percent up to 11.5 percent, which is going to make the cost of Hawaii vacations even more costly even though we're exempting the general excise tax. Actually, what we're doing is we're moving figures around.

"I went to the Ways and Means hearing, and I don't think any of the county representatives were at the final decision making because a lot took place in a very short period of time. And while they are made whole by this particular bill, if you look at it -- 3 percent for the visitor industry for marketing, and 4 percent for the counties, and 2 percent here and 3 percent there -- that guarantee is only through next year, through 1999, and it doesn't say what's going to happen after that period of time. It does give the state a great deal of opportunity if things continue to worsen and the revenue estimating committee or revenue council comes up with lower figures to shift figures around and say, 'Gee, we really want to do that, but we can't afford to do it. We'll have to take it away from you.'

"I'm a little surprised and disappointed at our hotel industry. I know they're extremely, you know, very excited about getting funds for marketing and so forth, but I remember the history of when the visitor industry came before this Legislature and finally capitulated to having a transient accommodations tax in the first place. And they made an agreement, a political agreement in this body, that it was going to be 2 percent, and 1 percent was going to go to visitor marketing, and 1 percent was going to go to build and fund a new convention center. Well guess what? After they agreed to do that, the final vote and the final action was that there was a 5 percent transient accommodations tax and the visitor industry got zero, nothing out of it.

"So if they wanted to put their trust in this document, that of course is their privilege. But I think that the counties probably would have liked to have a little bit more time in which to examine this.

"And finally, this does add a new tax for the time share units, which I argued against last year and I argue against this year. I think it's unconstitutional and I think it's a tax against something that has been purchased and not rented.

"Thank you, Mr. President."

Senator Anderson rose to oppose the measure and stated:

"Mr. President, I, too, will be voting 'no,' and I'll make it very brief.

"My main reason is because I do remember when HVB was being marketed all over the world. It took us a while to do that. Then we turned around and we came out with a new logo a few years ago -- I think it's a rainbow, if I remember correctly.

"Now we're going to have Hawaii Tourism Authority and I asked if we're going to spend some of this marketing money to market the authority so that people would know that this is a new authority for the State of Hawaii. With all of these things considered, it's also the logo of Kamehameha for scenic areas that was our main logo and that was taken away. So I'm not sure if we're going to come out with a new logo also that is going to take care of that and never mind the rainbow. So with all of these things, that's where my concerns are.

"The other ones bother me just as much, but that's why I'll be going 'no.'"

Senator Solomon spoke on the measure and said:

"I just would like to register a W/R for me and I just would like the remarks of the Senator from Mililani to be included as though they were my own.

"Although I'm very happy that the counties remain intact, however, I'm very much concerned about the debt service for the convention center. That is an issue that has plagued this body and I'm hoping that as this bill advances that we become more creative and think of a way of how we can compensate for that, and perhaps, maybe, look at whether or not the governor should be waiving the landing fees at the airports.

"So with that, Mr. President, I will be voting W/R.

"Thank you."

Senator Baker rose to support the measure and said:

"Mr. President, I, too, rise in support of this measure, and I have remarks that I would like to have submitted in the Journal, but before I submit those remarks, I would just like to offer a word of thanks and commendation to the co-chair of the Economic Development Committee for his leadership in pulling together the collaborative effort from the visitor industry that brought forth this very innovative proposal.

"This measure is the culmination of collaboration among the various segments of the visitor industry. They are willing to assume additional taxation in an effort to secure a dedicated source of promotion and marketing funds. It is an indication that the industry is willing to work with us to ensure that tourism continues to be a vital and vibrant part of our economy

"Thank you, Mr. President."

The Chair having so ordered, Senator Baker's remarks read as follows:

"Mr. President, I rise to speak in support of this measure.

"Mr. President, S.B. No. 2201, S.D. 2, is one of several bills introduced this session by the Economic Revitalization Task Force to address our state's economic slump. Through this measure, we bring meaningful reform to our state's largest industry, tourism, by establishing a framework for a statewide coordinated marketing effort, generating much needed additional revenue by increasing the TAT and extending it to timeshare units, and allocating resources in a fair and efficient manner.

"The first objective of S.B. No. 2201, S.D. 2, is to create the Hawaii Tourism Authority to develop state policy and directions for tourism and a state tourism-marketing plan. Currently, marketing strategies are designed and implemented at the state, county and industry levels. While these multi-level strategies may have been effective in the past, the increased competition for promotional dollars has caused us to re-think our strategy to make more efficient use of our scarce resources. In an effort to create a more coordinated, state-wide promotional plan, S.B. No. 2201 proposes to establish a 15-member board, made up of state, county and industry representatives, who, for the first time, will develop a long-range, state-wide strategic plan to carry this industry into the 21st Century. The Department of Business, Economic Development and Tourism will assist the board with tourism research, analysis and statistics. We believe this coordinated effort will make the most efficient use of our resources and ensures that all islands are appropriately included in promotional strategies.

"The second objective of S.B. No. 2201 is to generate additional dollars for tourism promotion and to retire the debt on the convention center. This bill proposes to raise the TAT from 6 percent to 11.5 percent and eliminate the imposition of the GET on visitor room nights. A portion of the new revenues, or \$60 million, will be used to establish a dedicated source of funding for tourism promotion and marketing. An additional \$10 million will be allocated for debt service on the convention center. It is important to note that we have not reduced the county's share of TAT revenues. In the long run, this reformulated TAT will allow us to save \$25 million per year in general fund dollars that would have otherwise gone toward tourism promotion in the form of the HVCB contract.

"Another revenue generating aspect of this bill is the imposition of the TAT on timeshare. To date, transient timeshare accommodations have not paid the TAT on occupied units. This bill imposes a fair and reasonable computation for the taxation of timeshare. Using a formula based on the fair market rental value derived from gross daily maintenance fees, the taxation of timeshare will generate an additional \$5 million for the state.

"The third aspect of this bill extends the Convention Center Authority for an additional year to address unresolved logistical concerns of the Waikiki community. The authority, under the scrutiny of the auditor, will propose a plan to mitigate address remaining traffic problems, noise problems, and other outstanding construction and operating claims against the authority.

"In summary, Mr. President, S.B. No. 2201, S.D. 2, will provide us with the tools to be more effective and efficient in managing the promotion and infrastructure of our visitor industry. I am confident that implementing these proposals will allow us to provide the necessary resources to the promotion of Hawaii as a premier destination, and position ourselves as a stronger competitor in the worldwide visitor market. I urge my colleagues to vote aye on this measure.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2750 was adopted and S.B. No. 2201, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO

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

Ayes, 23. Noes, 2 (Anderson, Slom).

Stand. Com. Rep. No. 2752 (S.B. No. 2600, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2752 was adopted and S.B. No. 2600, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2922, S.D. 1:

By unanimous consent, action on S.B. No. 2922, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2758 (S.B. No. 3015, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2758 be adopted and S.B. No. 3015, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose to speak against the measure and stated:

"Mr. President, I'm going to vote 'no' on this bill.

"The bill limits the size of the exemption, size of the aircraft maintenance facility and it favors larger businesses. I think we should be helping to support a number of very small aircraft facility maintenance companies within our state.

"Thank you."

Senator Anderson rose in opposition to the measure and said:

"I also will be going 'no.' However, it's for quite a different reason along with the four things that the bill does. Where it says it adds a third exemption, 'material, parts or tools purchased . . . for aircraft service and maintenance.' That's exempt. However, it specifies that janitorial services, skyrocketing, restocking supplies including food, liquor, and loading and unloading baggage is not exempt. I would think that the whole facility, if it's going to be exempt, you would look at the whole package. You're picking pieces that you're thinking people will find it very good to take those pieces and saying we're trying to help. If you're going to do it, you might as well go whole hog and do the whole bit. For those reasons I'm going 'no.'"

Senator Solomon rose and stated:

"W/R please, Mr. President, for the same reasons. I feel that if we're going to provide this tax exemption that it should also be applicable to those that are smaller businesses.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2758 was adopted and S.B. No. 3015, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX EXEMPTION FOR AIRCRAFT SERVICE AND MAINTENANCE FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Anderson, Slom).

S.B. No. 3141, S.D. 1:

On motion by Senator Baker, seconded by Senator Fukunaga and carried, S.B. No. 3141, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2761 (S.B. No. 2213, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2761 was adopted and S.B. No. 2213, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2763 (S.B. No. 3129, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 2763 and S.B. No. 3129, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2764 (S.B. No. 3076, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2764 be adopted and S.B. No. 3076, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose and said:

"Reservations please, Mr. President."

Senator Solomon then said:

"Reservations for me also, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2764 was adopted and S.B. No. 3076, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXECUTIVE AND ADMINISTRATIVE DEPARTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2765 (S.B. No. 2263, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2765 be adopted and S.B. No. 2263, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Iwase rose on a point of inquiry as follows:

"Mr. President, if I may make a point of inquiry with one of the Chairs of the Ways and Means Committee.

"At the hearing, there was a concern raised by the Department of Education on a vacancy bill that it would negatively impact new teachers, positions for new teachers and probationary teachers, and it was supposed to have been covered in the committee report. This is not the intent to affect the DOE in a negative way and it is not in the committee report. I don't know if you recall that conversation taking place in WAM, but it did, and I want to make sure that the Department of Education and its new hiring of teachers is not going to be adversely affected by this bill about vacancies."

Senator Fukunaga responded:

"Mr. President, it was the intention of the committee to specify clearly that employees of the Department of Education and the University of Hawaii would not be negatively impacted. That was part of the discussion, and we will continue to work on this area."

Senator Iwase further inquired:

"Okay, so you will be pursuing this to protect DOE's hiring of new teachers and probationary teachers and all that."

Senator Fukunaga replied:

"That is correct."

Senator Iwase then said:

"Thank you very much. I will now vote with reservations."

Senator Slom said:

"Reservations please, Mr. President. Thank you."

Senators Solomon, Sakamoto, M. Ige and Anderson then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2765 was adopted and S.B. No. 2263, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VACANCIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2766 (S.B. No. 2222, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2766 be adopted and S.B. No. 2222, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Iwase rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to this measure.

"Mr. President, this is a very important measure because we've just passed bills that dealt with tax reductions, tax cuts which results in lost revenues to the State of Hawaii, for example, S.B. No. 2215. And we must address those revenue losses from the cuts called for by the Senate, which amounts to hundreds of millions of dollars.

"This is our key bill. It addressed the revenue shortfall and this bill falls far short of addressing the revenue loss in dealing with the tax cuts and this jeopardizes the tax cuts that the people of this state deserve.

"A couple of things, Mr. President, the process that was followed in enacting this bill was confused and hurried. And before I go on, I do want to say that this was about 1543, the pay cut bill. We had a hearing in the morning, the attorney general appeared and the union representatives appeared. At 5:00, I believe the co-chairs -- not believe, I know -- they heard what happened, they heard the testimony and came forward with a bill and a proposal, a recommendation, to kill the pay cut and then things happened. There was a reconsideration on the rails, if you will, or as the media reported, you looked angry -- a rumble on the rail -- whatever happened, something happened. But the confusion and all that was fully reported in the media, and I'm not going to dwell on that because it's too painful and it's too embarrassing.

"Now, the substance of the bill -- called the pay cut portion -- it's unconstitutional, Mr. President. Public workers' salaries -- the Attorney General testified, without qualification,

constitutional problems, not something small like the State Constitution, but the big one -- Article I, Section 10, of the United States Constitution, specifically the impairment contract clause. They said that this bill could probably violate it and they testified in opposition to the proposal. Now, this public workers' salary reduction, I assume, is a major cost saver for the Senate in this attempt to cut taxes. In short, the Senate tax cut hinges on a bill, this bill, which the state Attorney General has said is unconstitutional. Why did the Senate leadership pursue this path? There was committee discussion about moving vehicles for it, but why an unconstitutional bill?

"Mr. President, yesterday I got a call from a lady who said 'never mind that it is unconstitutional, no more money.' I disagree with that caller, Mr. President, vehemently! And I hope that the Senate never adopts such an attitude towards the constitution -- state or federal. We must learn, as President Truman did during the Korean War when he federalized the Steel Workers Union to stop a strike during the Korean War, that the times don't justify the action and the Supreme Court of the United States voided his action and said it was unconstitutional. History teaches us the great danger in thinking, because of the times, we can ignore the constitution. Executive Order 9066 imprisoning Japanese Americans because of World War II is a recent and most glaring example of that kind of errant thinking.

"Not only is this bill a dangerous precedent, it is also a cruel hoax on the public. I support a tax cut, there are members of this body that support a tax cut for the working class because they need it, they deserve it, and we must give them one, but this Senate bill predicates this needed tax cut on a bill which violates the United States Constitution -- a bill which cannot be passed and will not be sustained.

"Also, the salary reduction for elected officials, we elected officials are somewhat like a punching bag -- everybody punches on us because we cannot punch back -- but we do have to stand up every now and then when it's right. We have an opinion from the Legislative Reference Bureau that I gave to you this morning, it's on your desk, asking whether we can adjust our salaries, the Legislature. And they have concluded that under Article III, Section 9, of the Hawaii Constitution, we cannot -- we cannot adjust our salaries.

"Now rather than recommending unconstitutional provisions, Mr. President, Senate leadership should have given thoughtful consideration to other more viable proposals or concepts. You, as Senate President, right now, if you wish to pursue a salary adjustment, could ask the unions to come back to the negotiation table and re-open the agreement and seek to re-negotiate what the salaries are. We should not unilaterally, unilaterally, trample upon that agreement, but that has not happened.

"With respect to legislative expenses, Mr. President, you have the authority now, to ask this body for a payroll lag for legislators. We can do that. We can adjust when we're paid. We can freeze all mainland travel. We can freeze all purchases of new equipment and furniture. We can re-open the legislative budget to look for other restrictions. And we can look at salary adjustments for legislative staff. That can be done now, without a bill. We're getting hundreds of calls from the people, the public workers. We don't need that. We can do all of this now. We don't need a bill to get people excited.

"Third, what we should also be looking at when we are talking about revenues, something that was raised at the hearing early on with Dr. Naya, is looking at the multiplier effect of a tax cut -- how much will come back to the State of Hawaii when we return taxes to our people. For every tax cut dollar returned to the taxpayer, how much revenue will be generated in the state with increased consumer spending.

"Fourth, we can and should have looked at in this bill and bill 2215 if there is not enough money, readjusting the

maximum tax rate and the threshold for the maximum tax rate. We should also have looked at whether or not we could have passed pyramiding reduction because that's \$150 million, but we didn't do that.

"In streamline government, Governor Cayetano talked about it in his budget message to us and he talked about fundamental changes. The bill that we passed or are talking about passing, the consolidation we have, is putting Budget and Finance with the Department of Human Resources Development. That is the Senate's consolidation plan. That is not the fundamental cuts that the governor talked about -- deep cuts, looking at the programs, thoughtful cuts, making structural changes because we have to decide what government should do and can do. But we haven't done that, Mr. President. We have come forward with an unconstitutional bill.

"Now, from what I've seen in the media, the State House of Representatives has taken up this difficult challenge of looking at government restructuring and is proposing program changes. And while discussion must continue on the specifics, when that bill comes over, we should be open to the concepts because they have taken up the challenge that the governor put out in his budget message. That's the pain -- that's the pain that we talked about in our committee report.

"Mr. President, we must cut taxes. We must help our beleaguered people. We must restore consumer confidence. We must address the revenue loss from the tax cut in a meaningful and thoughtful manner so that we can cut taxes. This bill does not do it, and I will vote 'no.' My 'no' vote on this bill and the request that the Senate leadership pursue meaningful revenue proposals is done, Mr. President, in the sincere hope -- sincere hope -- that we will close this session on May 5 with a tax package that says yes to tax cuts for our working people. That is what our people expect, Mr. President, what our economy needs, Mr. President, and what our people and our economy deserve.

"And I hope we do more in this very serious matter that is on everyone's mind and everyone has received calls from the workers out there, the pain that is out there. We've got to help them and we're not helping them when we put forward measures which clearly have been addressed by the attorneys and have clearly been found to be violative of both the federal constitution and the Hawaii constitution. We don't need this bill. We shouldn't have this bill on our desk. I'm going to vote 'no' on this bill.

"Thank you, Mr. President"

Senator Baker rose to support the measure and stated:

"Mr. President, I rise in support of this measure.

"Mr. President, difficult times, difficult choices -- these four words capture our situation. Given the current state of our economy, there are no easy answers -- no quick fixes, no painless solutions. A cut in taxes translates into a cut in revenues and declining revenues mean that we must find corresponding cuts in government spending. Government must do its part by getting its own house in order and living within its means. That requires changing attitudes and outlooks, and the way government works. It means asking more from our public workers. It may mean offering less services. It means shrinking the size of our government workforce. For the employees and government programs affected and the constituencies they serve, this is not a happy prospect. But government must do its part and make its contribution to our economic recovery.

"Senate Bill 2222 outlines much of what we will ask government to do in our revitalization effort. Some of these actions include the following: deleting three paid state holidays from the thirteen currently enjoyed by public workers; reducing the number of vacation days which accrue for all public

employees; imposing an across the board, one year salary reduction for all state officials and employees, including elected officials and judges; authorizing the employer and the unions to reopen negotiations on cost items, as some of the public unions have encouraged us to do; authorizing the legislature to enact legislation that takes precedence over collective bargaining laws under emergency conditions. Mr. President, your committee on Ways and Means recognizes that these are not popular proposals, but offers this approach as an alternative to massive layoffs throughout government.

"Mr. President, your chairs have heard the criticism from some who have no other alternative to offer. We believe there are ways to accomplish the objectives of this measure and we welcome the cooperation and the collaboration of the public unions and others as we continue to work on the appropriate balance of measures to return our economy to health.

"Mr. President, we believe that the provisions in S.B. No. 2222, S.D. 2, are consistent with this legislature's commitment toward trimming the size of government while at the same time preserving the maximum number of jobs and providing severance and transitional health benefits for those who face termination due to budget cuts. Provisions of this measure also ensure that vacated positions are not refilled.

"Mr. President, your co-chairs would be the first to acknowledge that this is not a perfect bill, however, your committee offers this measure as an option because it elicits sacrifice from all segments of state government. It's crafted in a way that allows these adjustments to go forward without running afoul of the constitution. And, Mr. President, with regard to legislative salary, we can assign a portion of our salary without reducing our salary, to the general fund to demonstrate our commitment and our sacrifice as well.

"Mr. President, your committee hopes that this measure will encourage further discussion and perhaps additional options that have not surfaced thus far may come forward for consideration. I urge my colleagues to vote in favor of this measure to move it forward for further discussion, analysis, and scrutiny. I would emphasize to all my colleagues and to the public that the discussion on this matter is far from over. We need to keep all possibilities in motion so that in the final analysis we will be able to agree with the House on a revitalization package that may be tough, but fair; that will move our economy forward and create quality private sector jobs and provide hope for the future.

"Thank you, Mr. President."

Senator Solomon then rose in opposition to the measure as follows:

"Mr. President, I rise in opposition

"Mr. President, I would like to support the Senator from Mililani, but also, Mr. President, I'd like to speak on the remarks that we're just made by the previous speaker.

"Mr. President, if you recall, when you were sitting on this side and you weren't up there on the podium, we did recommend that if this state, in fact, was in an economic state of emergency, then let's call it so. Let's have the governor declare our state is in an economic emergency so we can visit all these issues. In fact if we feel very strongly, then perhaps we should re-look at the contracts that we negotiated in good faith with our public unions, then let them come back to the bargaining table.

"I feel very strongly, Mr. President, that this bill is unconstitutional. It's not helping, helping the matter by threatening people's jobs, by not giving them due process, by not allowing them to come in and to re-negotiate in good faith.

"Mr. President, we are not in a desperate state. We have options -- shipboard gaming, pari-mutuel horse racing, lottery, the list goes on and on -- bills that we have not even looked at this session. We have options, Mr. President -- pay at the pump that has been discussed for over ten years in this body. Pay at the pump where now we have \$750 million leaving this state annually. This could easily be converted into a consumer industry, this could easily be reinvested back into our economy. We have a bill, Mr. President, on the books -- the workman's comp state fund -- where that money could be owned by the consumers, that money could be used and reinvested back into this great state of ours.

"We have many, many options, Mr. President, that this body has not looked at for revenue generators. But now, to call and burden our state workers who I feel many of them, many of them, Mr. President, have dedicated their lives to doing an excellent job to help us push this state forward, and without giving them an opportunity to come forward and to be allowed to negotiate these terms, I just find unacceptable.

"As far as holidays are concerned, Mr. President, well, I don't know about all that, but as far as our legislative salaries are concerned, Mr. President, the good Senator from Mililani gave us some options that we can implement immediately.

"So, Mr. President, as I'm sure that this bill will advance forward, I'm hoping that this body will remain open to these kinds of options that I have presented. Options that are there, that were studied to death, that we know we can implement. We can implement these kind of revenue generators that we desperately need at this time. And if we cannot, Mr. President, then perhaps you should go upstairs and discuss this with the governor and declare us in a state of emergency. So with that, Mr. President, I'm urging my colleagues to vote 'no.'"

Senator Sakamoto rose in opposition to the bill as follows:

"Mr. President, I also rise in opposition to this measure.

"Slashing salaries across the board, furloughs, etc., there are some, some good things to look at. But, Mr. President, in essence, this looks for dollars not efficiency. And I agree we all need to share the economic burdens facing the state and that forms of cost reduction should be considered, however, our response should be based on a sound plan that first eliminates duplication and creates efficiency.

"Mr. President, we should see this as an opportunity to revision our government. We need to determine what government services to retain and which ones to let go, then we need to act. We need to act now. At the present time, Mr. President, many of our state employees, many of their managers are handcuffed, handcuffed by inefficient rules, rules that maybe made sense at one time, inefficient procedures that maybe made sense and maybe never made sense, but let's release these handcuffs, Mr. President. I believe these hinder government, hinder the service that they can do. Take off the handcuffs.

"State management needs to have the ability to set performance standards. We should reward good performance. We should also continue to look at managed competition and privatization where appropriate. We need to at least give a fair hearing to proposals coming from our Human Resource Department. They oversee personnel, Mr. President. Many of their issues never get to first base. That looks at inefficiency.

"So we need to take strong measures, Mr. President, but not the way this bill proposes to do. We need a well thought out plan, Mr. President. We can't throw everything against the wall and then see what sticks."

Senator Fukunaga rose in favor of the measure and stated:

"Mr. President, I rise to speak in support of this measure.

"As we have proceeded through the last several weeks of the Senate Ways and Means committee hearings, we have heard from many who have said that it is important, as we face this tough economic crisis, for all of us to pull together in the community. It is no longer a time for us to point fingers at others and say, 'Take away from them, don't take away from me.'

"What we propose today is really a process that is designed to allow us to pull everyone together. Earlier this afternoon, we talked about providing tools for the private sector to do its part. We talked about sharing responsibility and making tax reductions so that businesses and small businesses can go forward in beginning to do their part to bring this economy back together again. Now we are talking about the things that government must do in order to turn this economy around.

"This is not the only bill that we have considered on our floor this afternoon for streamlining government, for tackling some of the things that the prior speaker has alluded to in looking for ways to eliminate government duplication and to improve existing services. There have been bills that we considered earlier today dealing with the issue of privatization and incorporating performance-based budgeting in their provisions. We have dealt with bills to streamline the permit process and to improve land use. We have dealt with bills to improve consolidation and to otherwise attack those problems that impede public servants from doing the best possible job.

"What we have here before us is one measure that says there are also things that we, as public sector employees, must do together. One of the provisions in this bill deals with possible pay cuts, that is true. It is not the only provision in this bill. What this bill represents is a means of going forward and saying we must embrace all segments of the community as we look for ways to end the economic crisis that we are in.

"For the forgoing reasons, I urge my colleagues to support this measure.

"Thank you."

Senator McCartney rose to speak in support of the measure as follows:

"Mr. President, I rise to speak in support of this bill.

"Mr. President, I look back on my ten years in this body and I remember my freshman year coming to the legislature -- \$600 million surplus -- spending money here and there, budgets growing, and all for good causes and everybody had good intentions, all of us. But, Mr. President, ten years from now, ten years from that point today, we look at our budget, we look at the State of Hawaii, clearly, Mr. President, the government we have today, the public, the public we have that supports this government does not have the capacity to continue to fund it as is. And we need to look at restructuring government to reform and then to reallocate resources.

"Mr. President, we have a bill that we are going to vote on right after this, on school-based budgeting, where it locks in all the positions in EDN 100 and doesn't allow the superintendent to move those positions around and leaves them at the school for school level personnel. Those are the kinds of bills that we're talking about to re-invent government. But when I look at this bill, Mr. President, it seems like everybody is against the public worker.

"Let me tell you a story. Earlier this year, I went to take my sons to get a tuberculosis test at Lanakila Health Center, and that day that we went was the busiest day they ever had in the history of the center -- 435 people walked into the center and asked to get a tuberculosis test. They were people from all different ethnicity, backgrounds, nationalities, and economic levels. The staff dealt with everybody fairly and worked so

professionally to get us all through there. Those are the kinds of workers we have, Mr. President -- they're dedicated, they work hard, they care, they make a difference.

"But clearly, Mr. President, if you look at the situation today, we cannot afford to continue government the way it is now. We cannot continue to be the second highest taxed state in the country and continue to support government as is.

"Mr. President, we all care about public employees. We're not passing an unconstitutional bill. We do believe that the union leadership and state government need to come to the table to look at contracts, to look at costs in a way that's fair, in a way that's constitutional. That's why we amended Chapter 89 to allow contracts to be re-opened. The reopening takes two parties -- the union and management -- getting together. This bill doesn't say that the union doesn't have a say in that -- they do have a say. They need to get together with us to sit down and talk story.

"At the hearing, people talked about IOUs as one possibility, of one way that the state workers could contribute to dealing with the budget shortfall. That came from a union leader, Mr. President, who was willing to help and work. And in the media today, you see union leaders being blasted and criticized for not wanting to be part of the solution. I believe, Mr. President, that the union leaders of the State of Hawaii of public employee unions are willing to work with us to make a difference, to come up and look and see how we can restructure costs, because if we don't, Mr. President, we're going to be talking about four to five thousand people being laid off or a 10 percent pay cut. And those are the tough trade-offs that are facing everybody.

"What we're saying in this bill, Mr. President, is we're going to get together, sit down and work it out in a mutual way, just as they do in the private sector, just as Hawaiian Airlines did where they took a 15 percent pay cut, but it was union and management agreeing to that, Mr. President. That's the kind of bill we're talking about here -- respect, working together, not ramrodding it down somebody's throat.

"There's hard decisions that this committee has to make. They're looking at the realities. You can't just say lower taxes and fix the economy and not look at the way government spends money. That has to be looked at. Those are tough decisions that we need to make, and I believe we're up for it, and I believe the public unions are up for it, and I believe we can do it together working in a partnership.

"Thank you, Mr. President."

Senator Levin rose in support of the measure and stated:

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

"Mr. President, I think that we are cursed to live in interesting times, in fact we are fated to have to work our way through these difficult financial times. And the reason we are here, the purpose of us being legislators, is not to side step the problems that we face and the decisions that have to be made. I don't know of any group that is more pro-labor and has been identified as more pro-public sector than this body, and nothing has changed, but part of the job of leaders is to do what is unpopular when that is necessary. And part of the job of leaders is to educate the community about just how difficult the choices are that we face. Mr. President, you and the chairs of Ways and Means are the leaders that we need, are the leaders that have taken the bull by the horns and have made us confront the choices that we have to make.

"A great journalist died about a week ago. His name was Fred Friendly, and I wish I could remember the exact quote of what he said, but I don't, so I'll just have to paraphrase it. It was along the lines of him saying his job was to make it so difficult to make decisions, so unpleasant, so painful, that the

only way out was to think. Well, that's what we are faced with -- we're going to have to think, we're going to have to work our way out.

"This is, after all, the first cross only -- this is not the final bill; this is not going to become law and no one in this body has any intention to do anything unconstitutional. The Senator from Mililani talked about wanting a tax cut. We all want to have a tax cut, all our constituents want to have a tax cut, but there is another provision in the constitution. The provision in the constitution is that we have a balanced budget.

"So what we need to do, what we want, what we welcome, is input from all members of this body and from the community. We need to get past the pretty phrases, we need to roll up our sleeves, we need to make the hard choices. Playing to the crowd is not going to get the job done. Playing politics and refusing to be part of seeking the solution makes a person part of the problem. The Ways and Means chairs have stepped up to the plate and we should all be supporting their efforts.

"Thank you."

Senator Slom then rose in opposition to the measure as follows:

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

"I don't think anyone has spoken longer or louder and called for tax cuts and reduction in the size of government than I have, but this is not the way to do it. This bill offers a number of very positive alternatives and options and for that reason, we congratulate those who worked on it. But just like the ERTF, the Revitalization Task Force proposals, they came out with 57 or 58 really good proposals and then they poisoned the whole package by having two tax increase proposals that the public did not want, could not support, and could not bear.

"The same situation is here -- with all of the good ideas and the good talk that's gone on, some people have raised the question as to what the motives of this bill really are. I don't know. All I know is we keep hearing that one group of lawyers says this and another group of lawyers says that. Maybe Shakespeare was right after all, first we kill the lawyers, then we work on some of the other problems.

"In any event, I know that the public workers at this period of time are being used as pawns in a political game and I think that's wrong, and I think it's unfair. We should have a plan to downsize government. We should really make attrition count. We should use businesslike methods for cutting out dead wood and rewarding people for what they know in this state rather than who they know. But we don't do that. And now we have the audacity to talk about cutting across the board. Nobody cuts across the board because when you cut across the board, you hurt the very people who Senator McCartney was talking about who do a good job, who do their job above and beyond the call of duty. But it takes real businesslike sense and managerial skill to separate out and try to find out what must be replaced. And those things and those agencies that cannot be justified must be replaced. But you don't achieve that by going across the board and causing even more pain and suffering for the families and the relatives, the people who are already suffering a great deal in this community.

"We need to come to grips and find answers to what we are doing. But when I hear statements like, we had \$600 million or \$800 million in cash surplus and it was all spent for good causes, I cringe, because it was not. We squandered the public's money, we wasted the money."

"Mr. President, we in this body must exert leadership. Our problems in Hawaii, the economy, are not based on money, they're based on a lack of leadership. We gave lip service to privatization, but this body, the Senate, has not seriously considered or offered alternatives to privatization.

"And finally, we could have decided as a body at the very beginning of this session to say 'no' to no more costs, no more new programs, no more expansion, if we really wanted to prioritize. And that, after all, is what it comes down to because everybody else has had to prioritize -- every single mom, every family, every small business has had to do with less and do without, except for this state government. The time for us to do that is now and not to point fingers at one group of people and try to recoup money at one particular time, rather than having, as the good Senator from Moanalua said, a plan for the future. That is why I'll vote 'no' on this bill, Mr. President.

"Thank you."

Senator Anderson rose to speak against the bill as follows:

"Mr. President, I also will be voting 'no.'

"I more or less stated in the committee and other times why I'm against this particular bill, however, I would like to agree with the Senator from Maui that we have to cut. But this is not the bill to do it with. The Senator spoke of quality jobs and that is what we have spoken about since day one -- quality jobs.

"The Senator from Hilo said we should be looking at shipboard gambling, horse racing. We have a referendum that the people could vote on. It doesn't have to go through any constitutional change. It is not binding to us. It is only an advisory. I keep saying it is legal, we have an AG's opinion on that. We also have many bills from other states so that we won't make the same mistakes. We also know how many jobs it's going to provide.

"I've said for horse racing on the Big Island that's an industry. People from the orient like breeding. They'd like to have a horse that they could put and race on a racetrack that we would help construction to build. We could have new entrepreneurs. We could raise feed. There's a lot of things we could do just in that area.

"There's some who don't trust putting it out for the people to vote on. I don't trust the legislators voting on it. We think we're here to tell people how we feel. We're here to represent the people and if they want to vote on this particular measure, we should give them that chance. That's part of my problem.

"The other is the Senator from Hilo, one of his statements was we are pro-labor in this Senate and we have never changed. I don't know what you folks think we are, I've been pro providing jobs for years, so has Senator Slom, Senator Sakamoto. There's a lot of people who provide jobs. Right now my wife is angry because my business is going down the tubes while I'm here fighting for other people's jobs and businesses.

"This bill also deletes Admissions Day, Good Friday, Presidents Day, provides for the reduction of the number of vacation days, amends collective bargaining laws to authorize emergency legislation affecting public employees, it doesn't say that it's going to be we and the unions that's going to do that, this bill says we're going to do it, as far as I read it. It amends collective bargaining law to authorize emergency legislation. It doesn't say anything about the union leaders being a part of this.

"I'm not getting upset either, Mr. President, just to let you know. I'm being very cool, calm, and collected on this. (Laughter.)

"Another thing that this thing does is it provides qualified state government employees to retire in lieu of receiving traditional benefits. We've made so many mistakes. I remember Mr. Anzai coming down and saying we have absolutely no chance to work on some of these things because it's not our kulia. We're stuck with something that we have

no control over. Well, if we go ahead and provide people an early out, they then become a part of the retirement system, the health system, God, they become part of everything. Mr. Anzai was correct. There are a lot of things that are costly and we have a chance to correct them if we know what we are doing.

"This also says, provides for elimination of 705 positions in the executive branch, judiciary, BOE, and university, made vacant by early retirement. Those are the things Mr. Anzai was talking about -- early retirement. We're trying to provide the jobs and we want early retirement. We want to put money in the people's pocket, yet when we talk about working with our congressional people on the Jones Act, everybody says you can't do that, that's almost \$3,000 a year more or less, one way or the other, for each one of the households. Three thousand dollars to me is a lot of money. We should at least discuss trying to get people to help us.

"We have an import export business. When Senator Kawamoto and I went to Guam, there's a good chance on exporting a lot of our ag products, but if their going to say to pay the same shipping costs then it's going to be very expensive. That's why we had a resolution that asked that not only Hawaii, but Alaska, Puerto Rico, and Guam be exempt. That's money that we're looking at and things that we should be working on, but we can't even move a resolution to ask congress to do that.

"We have two newspapers that should be moved apart. That would provide jobs, but under our failing Newspaper Act, we can't do that. There's a lot of jobs out there. I sat on the Economic Revitalization Task Force and everything we brought up, we're not discussing that. Land, we asked if we could take and start using state land to go ahead and provide those with long leases a chance to buy those leases, 65 years or more, and they're down to maybe 10 years or less, then they could expand their businesses, provide new jobs, provide loans, help the construction industry. We wouldn't have a hearing on that. How about giving them a 55-year lease so that they could turn around and have five years with no payment and then turn around and go to the banks and ask for jobs or ask for loans and provide jobs for our people. They would still be paying a property tax, but then they would go ahead and have employees and they could get the 4 percent general excise. They could open their businesses. There are things that we should and could do.

"The Senator from Mililani says open the budget again. That's fair. We could do that. There's lots of things that we could do that we have not done. And we sit here and say we're going to do this because the people deserve to have us try to do a good job and we're going to do it with the 42,000 people that work for the state. I would like to reduce the state force, but if they have no place to go and if your going to just go ahead and reduce everything, where do they go? What kinds of jobs are out there that the Senator calls quality jobs. If we're just going to cut, then we're going to be paying. If your just going to give them holidays or take away their holidays that they've gone ahead and fought for under collective bargaining, and then saying that's not any problem because it's not unconstitutional, I think your wrong.

"So anyway, those are some of the reasons, Mr. President, that I'm voting 'no' on this particular bill."

Senator Iwase then said:

"Mr. President, I would like to respond with respect to three areas based upon the discussion that has taken place over the last few minutes.

"The first is the apparent impression now, that all we are trying to do is generate discussion so that we can talk about cuts. And that's fine, but let me read what the bill says, because that's what everyone here is reading. (I didn't know they were all coming, but that's what they're reading.) This is



our attempt to generate discussion. That's what the bill says. It doesn't say come to the House and let's talk. It says, 'There shall be a salary reduction of \_\_\_\_\_ percent implemented for all . . . employees of the executive branch . . . . The salary reduction shall take effect irrespective of the sources of funding available. The Governor . . . shall implement this Act on July 1, 1998.' That is not an invitation to a discussion. That's breaching the contract. And that's why there is a concern. That's why there's this long debate in this chamber.

"There was talk by a previous speaker that this is not unconstitutional. The attorney general came to the hearing and said it's unconstitutional or it may violate the United States Constitution. I haven't heard a lawyer come in and say, 'Your clean.' So we're dealing with the constitution, Article III, Section 9. The Legislative Reference Bureau -- they have no axe to grind, they have no political agenda -- they come in and say we cannot adjust our salary because it's unconstitutional. If we can fool around with our salary by adjusting it down, perhaps we open a door and we can adjust it up. We should have a constitutional amendment, perhaps, but we don't have that. So it is unconstitutional, and yet we're moving it forward. I don't mind moving forward vehicles to generate discussion, but I have somewhat of a problem moving forward a vehicle that two lawyers have said are unconstitutional. I have heard from a layperson that it's not, but I think I'm going to go with the lawyers on this one, Mr. President.

"And finally, I believe it was the Senator from Ka'u in his talk, saying that it's not fair to only criticize (I may be unfairly paraphrasing him), and I agree with him. It's not our job in here just to throw stones. And no one in here is just throwing stones. We have come forward with proposals as late as today. So let me repeat for the Senator what I had said -- let me repeat -- because sometimes proposals are made but they are not heard -- for whatever reason, they are not heard.

"First, with respect to public workers salaries, if there is a desire to adjust salaries, then ask the unions to come back to the bargaining table. Ask them. That can be done right now. You can pick up the phone and call them. The governor can call them. The Speaker of the House can call them. That's what can be done now. That is constitutional. That is an invitation to discuss. That is not a hammer bludgeoning you to come to the table or maybe to the operating table.

"Second, with respect to the legislative salary, I heard the chair of the Ways and Means say we can put our salary into the general fund. We can voluntarily do that -- yes we can. Yes we can, but that's not what this bill calls for. This bill says we cut the salary of elected officials. It doesn't say, voluntarily put the money into the general fund. So we're dealing with the bill, the language of the bill. That's what these people, like I said, have read. That's why they're here. That's why they're concerned.

"Let me say what we can do, since that is unconstitutional. Payroll lag for legislators -- let's do that. Lets have an order tomorrow, freezing all mainland travel -- that's several thousands of dollars (I checked from last year). Freeze, tomorrow, all purchasing of new equipment and furnishing. Reopen the legislative budget and make further cuts, which could include adjusting staff salaries. We could even delve into the expense account for each legislator. That can be done right now. That's not a criticism to the Senator from Ka'u, that's constructive advice.

"Third, why did we not look at the multiplier effect in terms of how much revenue will be coming to the State of Hawaii from the tax cut? Why are we not inputting that assumption? Also, why are we not inputting the tax assumptions from the new businesses that are supposedly to be generated by the tax cuts? Seiji Naya talked about \$190 million to \$380 million. Why is that not put in? That's not been explored. I haven't seen a response. We should look at re-adjusting, as I said, the minimum tax rate and the threshold for the maximum tax rate and finally we can streamline government. Again, the Senate's

bill, the major bill, is to merge the Budget and Finance Department with the Human Resource Development Department. That is not enough and we're going to have to look at the House bill.

"Finally, Mr. President, I don't want to end this without what I started from because it seems like everyone has not gotten it. Because what we're talking about is the times do not justify this body acting in an unconstitutional manner. And so I would like to close with two quotes, one from a book by Warren E. Burger, former Chief Justice of the United States Supreme Court, he says 'Since when, we should ask, does every remedy for a public need become constitutional, simply because it is good and necessary?' And perhaps to answer that question, from Justice George Sutherland of the United States Supreme Court from a case in 1934, 'If the provisions of the constitution be not upheld when they pinch, as well as when they comfort, they may as well be abandoned.' And as I pointed out in my speech, Mr. President, it was in World War II.

"Thank you."

Senator Solomon again rose to speak against the measure as follows:

"Mr. President, I'm still speaking in opposition.

"Mr. President, I just want to clarify for the record that I did bring up the gaming issues and other such opportunities as pay-at-the-pump and the workers' comp fund in rebuttal to previous remarks that were made by the co-chairs of the Ways and Means committee, to just remind this body that we do have options. We have been looking at them for over ten years. This isn't something that we did not anticipate.

"I just get very leery when people stand on this floor and speak in desperation when, in fact, this body has been very open in looking at all of these options. And I just don't see us, as I said earlier in one of my earlier remarks on the floor, Mr. President, as the democrat party. We were told, as we move into the new Hawaii, that we would all go together. And now what has happened is many of us can't even survive now days. People aren't happy. They can't satisfy their basic needs for food, clothing, shelter, health care, and education. Loving relationships have ended up in divorce because of financial stress. And what are we doing, Mr. President?

"It's a sad state of affairs when the only growth industry in the State of Hawaii now is the prisons. This is where we're at, Mr. President. We do not have to be in this predicament. We have options. There is a light at the end of the tunnel. It's just a matter of us exerting some leadership; meeting those challenges; coming up with programs that make sense for us here in Hawaii; yes, streamlining government.

"If you, in fact, want to look and revisit our contractual arrangements that we made in good faith with public unions, let's do so. We do that in the private sector. This was reported in one of the remarks made by our Minority Leader. That is common practice. Everyday this happens. But now to come up with a bill, Mr. President, a bill that is before us telling us this is how we're going to handle the situation, which again I would like to remind my colleagues I feel is unconstitutional, deprives people of due process.

"And with that, Mr. President, I'm still urging my colleagues to please vote 'no.' Thank you."

Senator Fukunaga then responded:

"Mr. President, I rise to rebut some of the remarks by the speaker from Mililani.

"I believe, previously, the Senator proposed that the Senate or the Legislature encourage the public sector unions, as well as management, to re-open collective bargaining contracts as a

way of addressing the fiscal crisis that we find ourselves in. I would direct members attention to pages 6 and 7. The bill does just that. Without the amendments proposed in this bill, his proposed solution would not be able to take effect. For example, on page 6 it says:

'Section 89-10, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Because effective and orderly operations of government are essential to the public, it is declared to be in the public interest that in the course of collective bargaining, the public employer and the exclusive representative for each bargaining unit shall by mutual agreement include provisions in the collective bargaining agreement for that bargaining unit for an expiration date which will be on June 30th of an odd-numbered year.

The parties may include provisions for the reopening date during the term of a collective bargaining agreement",

and here is where the bill does amend the existing statute,

"[, provided that such provisions shall not allow for the reopening of cost items as defined in section 89-2]."

"So, essentially, the bill that we have before us would do exactly what the good Senator is recommending.

"Further, section 7, with respect to Section 89-19, would further effectuate the provisions that are being proposed to be amended in Section 89-10.

"Thank you."

Senator Metcalf rose in favor of the measure as follows:

"Mr. President, I rise to speak in support of this measure.

"I think that the Senator from Mililani has raised some concerns that we have long recognized as being ones that are not without merit with respect to the question of impairment of contract, but that's only if this becomes an Act in the language that is currently before this body.

"I think, as the previous speakers have mentioned in support of this measure, this is a process. It's a process to set out, along with other options, what has to be on the table if we're going to talk about tax cuts and we're going to talk about balancing a budget. And those options, along with some of the other options that we've heard of today, are the kinds of options that need to be considered as we go forward. And I think it's in that context, in that spirit, that I support this measure, Mr. President.

"Thank you."

At 5:23 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:24 o'clock p.m.

Senator Fernandes Salling then rose to speak on the measure and said:

"Mr. President, I hadn't intended to speak on this bill, but because of the remarks made by the chairs of WAM with respect to, do we have any options, and because of the remarks made by the Senator from Mililani on the constitutional problems with this bill, I would like to make a few statements for the record."

The Chair interjected:

"Are you speaking against the bill?"

Senator Fernandes Salling replied:

"I'm speaking against the bill.

"If this is the Senate's position, and as we have heard from more than one Senator that this could be found unconstitutional, then I believe that we will be placed in a very dangerous position going to the House with respect to maintaining our position to not raise the general excise tax. That's one problem that I have with this measure.

"The second is, for me it's very simple, I think, based on our work last year, to deal with how do we provide for not raising the excise tax. And that is, very simply, let us seriously look at cutting state government. Now the House, I know, is sending over their budget and I hope the Senate Ways and Means Committee will be looking at this very seriously.

"I want to point out that we have a few measures before us that deal with special funds (which is a problem) because it's a way to add to state government, rather than cutting back on the programs that we need to review. When we have a special fund, in most cases the departments will come in and say (I've had this experience in the Health Committee) -- as an example, they say we don't have a budget because they're transferring programs into the special fund.

"Now, although we may just have three bills on the agenda coming up dealing with special funds, we don't know what's coming over from the House. We don't know and we have had, based on last year, automatic conversions or conversions from general fund to special funds to cover, to cover the expenses of government. I think that we need to seriously look at that again. On reflection, I'm beginning to realize that perhaps that was not a good thing -- to buy into the departments, let's convert. Of course we didn't have as many serious problems last year as we do this year, but I urge the committee to take a serious look at that.

"The establishment of new special funds is not a good idea because of the fact that programs can thereafter be placed within the fund. We have no review. And how are we downsizing and cutting back on government (which is what everyone is saying we should do), and in that way, then we can maybe come up with the money not to increase the excise tax.

"Other measures before us also, are to consolidate. The governor has proposed consolidation -- wonderful idea, but one of the measures is to consolidate by combining the Department of Budget and Finance and the Department of Human Services. Does that really make sense? I would have imagined that it should be B & F combined with DAGS. So I question whether or not what we're seeing from the administration, and the bills that are going forth, are good proposals. Now, we have other bills, and we have time, and these are options that we should be pursuing seriously -- consolidation, but in the proper manner. Consolidate departments that make sense to be combined, rather than what I just pointed out.

"We have also a big problem with streamlining government regulations. We have delegated our authority over the years to the departments to set fees. They've set fees in order to regulate, or regulate and then they set fees, and who is it impacting but small businesses? People are paying for it. Businesses are paying for this. This is all tied in also with special funds.

"The cutting of programs -- seriously looking at what we did last year and adding to it -- is absolutely necessary. We have to be bold in doing this. We have to take the House budget and look at it, and add to it, in the sense of cutting back on government. That was, I thought, the position of the Senate last year. That's what we proposed. That's what everybody supported. That is what we should be doing this year in order to find the money to not be forced to increase the excise tax, and to provide modest relief for our people.

"If we cannot provide what the governor is proposing in his task force, then some sort of modest relief and some sort of streamlining of the rules and the regs which small businesses and businesses throughout the state have been complaining about that just add to the cost of doing business, is absolutely required. And I think we need to seriously look at taking back setting the rates ourselves, because in doing so, then we are able to find what exactly is needed to support this program, or perhaps that a program is obsolete. To me, as I mentioned earlier, these, I believe, are just simple ways of how we, in very general terms, can deal with the problems in our economy.

"The options (as was mentioned), what options do we have? We don't need to get specific until we get into the bills, but generally speaking, these are the options.

"It's been a long evening, I'm sure that everyone's tired of hearing more speeches, and frankly, I really can't think of anything more to say. I'm sure that when I sit down I will. But in all seriousness, I would like the members to consider what I've said, because this is what we proposed last year. This was the Senate position. I don't want to see us get into a situation where we say, let's let the bill cross over to the House for further discussion and consideration. That could be very dangerous because when it comes back, and when we go into conference, we may be all locked into what the conferees have proposed. Some of us have been around here a long time, and we know that is what happens. So, if all of you are serious about not raising the excise tax; cutting back on government spending; streamlining the rules and regs; cutting the rates if it's warranted, which impact on small businesses; and doing some serious looking at the consolidation of these departments, then I urge all of you to please, please seriously consider these very general options which specifically you will be getting into with respect to the bills and the budget.

"Thank you very much."

Senator Taniguchi rose to support the bill and said:

"Mr. President, I rise to speak in support of this bill with reservations.

"I support this bill because I believe it has a number of good provisions which will protect our state workers in these tough times. However, I would like to note my strong reservations about the across the board cuts in section 8 and I would hope that we can seek some alternatives to this in conference.

"Thank you."

Senator Tam rose to speak on the measure:

"Mr. President and fellow colleagues, I vote on this bill, S.B. No. 2222, with reservations. I've heard the pros and cons of this bill but let me give you my view point on this bill relating to public employment.

"Senate Bill No. 2222 is a bill consisting of many proposals in our attempts to balance the State of Hawaii's budget and lowering employment costs. Unfortunately, there is one proposal which is questionable. The proposal is to impose an across the board salary reduction for all state employees.

"My concern is that the attorney general is yet to determine whether this would be a violation of public employment collective bargaining contracts under the Hawaii Revised Statutes. And if I may refer, this is based on terms of my questioning, because I was a business agent before, for a youth labor union, so in all respect, I need to have that addressed. The attorney general and public sector labor unions will be submitting their comments to us. We have not yet received those comments.

"I am pleased that the bill is being used as a vehicle to further discuss other options of balancing the State of Hawaii budget.

There is time to review the options before we adjourn the 1998 Legislative Session on May 5 of this year. In fact, I know that this bill will be going to conference between the Senate and the House of Representatives because of the incompleteness of the bill in regards to the unknown dollars amounts.

"In closing, let me say that I know personally that I will try my best to review all options on its merits to balance the state budget, which is my job in accordance to the constitution of the State of Hawaii, in a calm and collective manner through the legislative on-going public hearing process.

"Thank you."

Senator M. Ige rose to speak against the measure and said:

"Mr. President, I, too, rise to speak against this measure.

"I would just like to make three quick points, Mr. President. The first being Admission Day. I realize that there are a lot of people who work really hard to make that a very special day for our people, for this state. I think they basically turn in their graves to even think that we're even considering moving this day back to a regular, normal working day. It's unfortunate that we've taken such an important holiday and, through whim, throw it on the table for discussion purposes.

"My second concern or my second issue would be the across the board pay cuts for legislators. I think that's a wonderful idea. We should start immediately. In fact, the vice-president said that we will be having a caucus on it, just make the request and we can all talk about that. I'd support it. I think it can be voluntary. My problem is, I was very fortunate to have raised my family early on, I'd like to develop a mechanism so that if legislators have families with children in school or in high school, maybe they can be exempt from this voluntary charge. I'm sure we have fortunate Senators like Aki and Tanaka with a lot of money. Maybe they can accommodate a little bit more for those legislators who are just rearing their families now. And I feel like it's difficult to raise a family during these times and I feel very fortunate. But I'd be more than willing to put down my money as a way of contributing to this cause.

"And I think Senator Iwase brought up the idea of cutting travel. I think that's also a wonderful idea. And I think we should make this all very public right after our caucus. I think it would breed public confidence in what we're doing. It would breed confidence in all of us and I think that is very positive.

"My third point, Mr. President, is the across the board cuts. I just think that it's a temporary, I guess, escape from reality. It's a band-aid. I guess we should not be using the hard working men and women of our government as scapegoats -- as scapegoats for our lack, for our lack, of courage to reduce government size, as well as to set priorities.

"You know, everybody picked on this committee not knowingly -- a Senator from Kauai and a Senator from Mililani -- bringing up the issue of government consolidation. We've looked at Budget and Finance. We've look at them merging with the Human Resources Department. Through your concerns, we removed the Department of Accounting and General Services. But I assure you, this is a starting point. This is where we will be beginning and hopefully we will come back to this legislature in a few weeks or a month to show that in fact we can make savings.

"Mr. President, I guess what I'm saying is that this committee, Government Operations, has handled a range of various cost cutting instruments, if you will, to streamline our government, to make our government more efficient so that our government can adept itself to meet the challenges of the future. But my feeling is that these solutions and answers have tremendous opportunity and there is no need for bickering and finger pointing. What we really need is the political will, the political courage and I think the patience to look at our goals

and objectives with a sense of pride and optimism. And I really believe that this will ignite us to meet the challenges of the future, but not at the expense of our hardworking employees of this state.

"Thank you."

Senator Kawamoto rose in support of the measure and said:

"Mr. President, I rise in favor of this bill.

"Mr. President, we all have concerns about this bill. We all have constituents that we have to worry about. I'd like to vote 'aye.' I'll be voting 'aye' on this bill because I would like to be a part of the players to resolve all the problems. I'd like to get involved. I'd like to put my hat in for conference committee and get involved with this bill.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2766 was adopted and S.B. No. 2222, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 10 (Aki, Anderson, Bunda, Fernandes Salling, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka).

Senator Anderson then rose on a point of personal privilege and stated:

"Mr. President, may I make one comment. You can put it down as a point of personal privilege, if you would.

"I'd like to say that with all the bills that we put in, and there's a great number that we have, we've felt that we were a part of the solution and not a part of the problem. Unfortunately, we don't get our bills heard nor our resolutions. Consequently, people may think that we are a part of the problem. I just wanted a clarification.

"Thank you."

Stand. Com. Rep. No. 2767 (S.B. No. 2210, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2767 be adopted and S.B. No. 2210, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Tam rose to support the measure and stated:

"Mr. President, I rise to speak in favor of S.B. No. 2210, relating to school-based budgeting.

"The purpose of this bill is to provide guidelines to ensure the implementation of school-based budgeting beginning with fiscal biennium 1999-2001.

"Senate Bill No. 2210 embraces and sets into the practice of budgetary collaboration of the parties within the school. The parties would include educators, parents, students, community, and school staff.

"Specifically, S.B. No. 2210 does the following:

1. Implements a weighted pupil allocation system for all program EDNs except EDN 300 and submits the allocation system to the legislature in order to aid us in budgeting properly.
2. The DOE and governor shall submit a budget to the legislature that names each school as the lowest program level in the state program structure. Currently, we're having problems in terms of the EDNs 100, 200, 300,

400 and 500. What is happening is, the department is not giving us the respective information at this time.

3. Provides each school with authority over A, B, and C funds on the basis of flexibility.

"School-by-school budgeting embraces the parties at the school level having ownership and working as partners in providing quality education in accordance to Hawaii's education goals.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2767 was adopted and S.B. No. 2210, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL-BASED BUDGETING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2768 (S.B. No. 2211, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2768 be adopted and S.B. No. 2211, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Tam rose to speak in favor of the bill and stated:

"Mr. President, I rise to speak in favor of S.B. No. 2211, relating to education.

"Colleagues, this is the last of the bills that we are passing today on education to formulate a solid foundation for the future of education in the State of Hawaii. The purpose of this bill is to require the Department of Education to provide the legislature with an implementation plan for the study and instruction of technology in education for all grades of public schools before the Regular Session of 1999.

"Specifically, S.B. No. 2211 will do the following:

1. Get the Department of Education to design an educational technology program plan at the classroom level statewide. There is none at this time. This is why you have one school different from the other, especially as you move up from elementary school to intermediate school and high school. It gets worse, in terms of technology at the school level.
2. Layout the financial needs for instruction of computer technology so that, basically, we will know how to fund it.
3. Bring about computer technology equality statewide at all schools.

"Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2768 was adopted and S.B. No. 2211, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2769 (S.B. No. 2207, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2769 be adopted and S.B. No. 2207, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker rose to support the measure as follows:

"Mr. President, I have remarks in support of this very important measure I'd like included in the Journal, please."

The Chair having so ordered, Senator Baker's remarks read as follows:

"Mr. President, I rise to speak in support of this measure.

"Mr. President, we currently have 334 separate statutes on our books that control the University of Hawaii. One wonders if that might be enough. They cannot buy a book, put up a building, or enroll a student without having to check with somebody or comply with some kind of governmental requirement. I do not believe that this is an effective way for our state's premier institution of higher learning to be operating. Furthermore, Mr. President, the UH is one of our assets and a contributor to our economic well being. It is not just another department or revenue consumer. A thriving, robust university is critical to our economic vitality and it is imperative that we allow the university to achieve these goals . . . on their own terms.

"As some of my colleagues may be aware, the University of Hawaii Professional Assembly is about to complete a study of the statutes of all 50 states to determine how the other 49 states regard autonomy and their university systems. The preliminary results are in: no state restricts its university as does the State of Hawaii.

"Mr. President, S.B. No. 2207, S.D. 2, attempts to correct the distinction that the University of Hawaii has earned as the most politically bound institution of higher learning in the United States. Through this measure, we aim to provide the UH with greater autonomy and flexibility in managing its resources, operations and expenditures. Specifically, this measure proposes to:

- Provide additional flexibility in the governance of its internal affairs in the areas of indemnification for collaborating institutions;
- Allow the university to contract with the Research Corporation of the UH for various services;
- Consolidation of fourteen separate special funds into three funds;
- Authorize the UH to use its own logo on motor vehicles;
- Amend the current budgetary formula;
- Allow for the deposit of university special funds outside the state treasury;
- Allow the Board of Regents to seek independent legal representation; and
- Repeal the sunset date for the board's authority to set the president's salary.

"Mr. President, I believe these provisions are consistent with this body's commitment, as established in Act 161, Session Laws of Hawaii, 1995, to provide the UH with the flexibility it needs to achieve its objectives.

"I urge my colleagues to support this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2769 was adopted and S.B. No. 2207, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2259, S.D. 1:

By unanimous consent, action on S.B. No. 2259, S.D. 1, was deferred to the end of the calendar.

S.B. No. 2260, S.D. 1:

By unanimous consent, action on S.B. No. 2260, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 2774 (H.B. No. 1699, H.D. 2, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2774 be adopted and H.B. No. 1699, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker rose in support of the measure and said:

"Mr. President, I have remarks in support of this measure to stimulate small business and create jobs that I'd like included in the Journal, please."

The Chair having so ordered, Senator Baker's remarks read as follows:

"Mr. President, I rise in support of this measure.

"In a continued effort to stimulate our economy and provide economic opportunities for entrepreneurs in our state, your Committee on Ways and Means is recommending the passage of H.B. No. 1699, S.D. 1, which expands the financing capabilities of the Department of Business, Economic Development and Tourism by establishing a loan guarantee program and allowing transfers of funds between the Capital Loan Revolving Fund and the Hawaii Strategic Development Corporation Revolving Fund.

"Under the loan guarantee program, private financial institutions will extend the loans, and the state will guarantee 90 percent of the value. This expands the state's ability to support industries in Hawaii that contribute to the growth or diversification of our economic base.

"The bill also allows the transfer of funds between the Capital Loan Program and the Hawaii Strategic Development Corporation, or HSDC, Revolving Fund. Both programs have the shared goals of providing growth financing for businesses, but the HSDC focuses more on providing equity capital to start-up and early stage businesses, which the capital loan program often cannot service due to a lack of collateral by these companies. Allowing the transfer of moneys between these funds will expand the opportunities for economic development and ensure that resources are allocated where they are most needed.

"This is but one of the many other initiatives your committee will be recommending to jumpstart our economy and I urge my colleagues to support this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2774 was adopted and H.B. No. 1699, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CAPITAL LOAN PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2775 (S.B. No. 2923, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2775 be adopted and S.B. No. 2923, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Metcalf rose and said:

"Mr. President, I have written remarks in favor of the measure I'd like to have inserted into the Journal."

The Chair having so ordered, Senator Metcalf's remarks read as follows:

"Mr. President, I rise to speak in favor of S.B. 2923, S.D. 1, Relating to the Ombudsman.

"This measure seeks to implement recommendations of the Economic Revitalization Task Force by expanding the responsibilities of the Ombudsman to include assisting small businesses.

"In particular, this bill provides that the Ombudsman:

1. Serve as an advocate in state government on behalf of small businesses;
2. Assist small businesses in resolving problems with government agencies;
3. Develop a procedure to facilitate and expedite the timely processing of applications for permits and other documents; and
4. Perform related acts for small business.

"This measure also authorizes the Ombudsman to establish a small business advisory council, composed of representatives of the small business community and government agencies.

"There is a continuing need to assist small businesses in Hawaii. Supporting them will help to ensure a sound economic base and contribute significantly to the state's economic development. This measure recognizes the importance of small businesses by helping them in minimizing government red tape and by giving them another avenue to have their concerns addressed.

"Mr. President, it is vital that we assist in the growth and development of small business in Hawaii. Small business is the root of a healthy economy and measures such as this will help foster our most valuable economic base."

Senator D. Ige then said:

"Likewise, Mr. President."

The Chair having so ordered, Senator D. Ige's remarks read as follows:

"Mr. President, I rise to speak in support of this measure. The purpose of this bill, in the words of small business advocates, is to expand the responsibilities of the ombudsman by including a small business defender in the Office of the Ombudsman.

"Most economists recognize that small businesses will be the economic engine that creates jobs in Hawaii over the next several years. This small business defender would provide assistance to businesses wading through government regulations and red tape, seeking to eliminate the adversarial relationship that has developed between small businesses and government.

"This bill is one of several bills that recognize the importance of small business and seeks to make state government small business friendly. I urge all of my colleagues to support this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2775 was adopted and S.B. No. 2923, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OMBUDSMAN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2776 (S.B. No. 2292, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 2776 be adopted and S.B. No. 2292, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto rose in opposition to the measure and said:

"I rise in opposition to the measure, Mr. President.

"The measure before us sweeps an undetermined amount of money from 185 special revolving funds. I've already spoken in opposition to some of the other things we're doing. These funds were collected for specific purposes, then we take the money and use it for other purposes. When we mandate teachers to donate money to the Hawaii Teachers Standards Board revolving fund to enhance their profession, then possibly sweep that money into the general fund, we're placing a tax on the teachers.

"We charge the university and community college students compulsory student activity fees for student activities. If we were to sweep this money into the general fund then we have a special tax on students.

"We tell our constituents across the state that all park users' park fees will be used for parks with unique and significant natural or cultural features, then possibly sweep that money into the general fund. Then we place a special tax on park users.

"We're breaking the faith with the people if we do this, Mr. President. The bill asks us to do this 185 times, Mr. President. That's not what we should do."

Senator Fernandes Salling spoke on the measure and said:

"Just very briefly. This touches on the remarks that I made earlier. I would just like to say that this is, I believe, a form of the raid bill that we had last year."

The Chair interjected:

"Are you speaking in support or against?"

Senator Fernandes Salling then stated:

"I'm speaking with reservations on this bill because I like one provision in it which repeals the employment and training fund. However, with respect to the other aspect which is a raid bill once again, I don't know how successful this is going to be in light of what we were able to raid from these funds last year, especially after the administration got done raiding the funds. I suppose some people may approach it as something is better than nothing (a million dollars), but I don't think that this is a responsible way of trying to budget for not increasing the excise tax.

"Thank you."

Senator Kawamoto spoke on the measure as follows:

"Mr. President, I rise to speak in favor with reservations.

"Mr. President, the Department of Transportation with all its special funds is a great area to steal the funds from. I just want to remind the people that are going to get involved with raiding the funds, many of the special funds in transportation are used for a match between the federal funds and the state funds.

"If you take a dollar, it's like taking five dollars from the special fund because it can be a match for 20/80 percent. That means maybe your roads will not be fixed as frequently as you want it to be fixed. So, to be able to take \$100 or \$1,000 from the special fund highways, it's like taking \$5,000 out of the special highway funds.

"Thanks very much."

Senator Slom rose to speak against the measure and said:

"Mr. President, I speak against the bill.

"Last year I warned about taking from the special funds and putting into the general fund. And this particular bill which includes the provision about the employment payroll training fund tax which was supposed to have sunsetted before and which has been kept alive even though we have a temporary moratorium, is not clear that this would actually end because it looks like employers would be continued to be assessed and possibly face even higher unemployment compensation taxes. So I'm voting against the bill.

"Thank you."

Senator Solomon rose and said:

"Mr. President, W/R for me please. And I'd like to echo the remarks of the Senator from Kauai as though they were my own. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2776 was adopted and S.B. No. 2292, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Anderson, Kanno, Sakamoto, Slom). Excused, 2 (Fernandes Salling, Iwase).

Stand. Com. Rep. No. 2777 (S.B. No. 2803, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2777 be adopted and S.B. No. 2803, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Metcalf requested the following remarks be inserted into the Journal and the Chair having so ordered, his remarks read as follows:

"Mr. President, I rise to speak in favor of S.B. No. 2803, S.D. 2, Relating to Hawaii Small Business Regulatory Flexibility Act.

"Many small businesses have voiced their concerns that they are unduly burdened by administrative rules. Many of these rules produce an unbalanced impact on them, which may prompt a negative atmosphere for conducting business in Hawaii.

"In a period when the success of small business in Hawaii is crucial to developing a sound economy, this bill seeks to assist small businesses to work with state agencies to ease the impact that administrative rules may have on them.

"In many instances, a state agency's interpretation or application of its rules may have a burdensome impact on a small business, especially when the small business lacks the resources to contest an agency's interpretation or application of a rule. This has contributed to a general feeling of mistrust of, and frustration with, these regulating agencies.

"This measure would improve the state's business climate by assisting small businesses in challenging an agency's rules that carry penalty provisions by requiring agencies to provide an opportunity for compliance without the assessment of monetary fines.

"Specifically, this bill provides for:

- (1) A petition process to an agency for regulatory review;
- (2) A periodic administrative review of rules having an impact on small business; and
- (3) An independent small business regulatory review board to consider small business concerns which in turn would recommend changes to the administrative rules.

"Ultimately, S.B. No. 2803, S.D. 2, will provide for greater and early input by small businesses in the regulatory process.

"Mr. President, it is vital to support small businesses in the state. Small business is the backbone of our state's economy and this measure would not only improve the relationship between the private and public sector but also promote Hawaii as being business friendly."

Senator D. Ige then requested the following remarks be inserted into the Journal:

"Mr. President, I rise to speak in support of this measure. The purpose of this bill is to provide for greater input by small businesses in the regulatory process. It establishes a process for small businesses to petition an agency for regulatory review, requires periodic administrative review of regulations to assess its small business impact, and an independent small business regulatory review board to consider small business concerns and recommend changes.

- Small business has been disproportionately impacted by regulation. This bill will help address this problem. Similar legislation has been successful at the federal level and in about 25 other states.
- It will encourage agencies to seek the input of small businesses in the early stages of drafting new regulation. It would help to achieve public buy-in to the new regulation, greater compliance and less resentment of regulators.
- Government agencies would act more as facilitators and partners, rather than just as penalizers. It gives businesses an opportunity to correct problems without stiff penalties.
- It gives small businesses a way to obtain assistance in challenging administrative fines and penalties from a small business defender.

"Most economists recognize that small businesses will be the economic engine that creates jobs in Hawaii over the next several years. This bill is one of several bills that recognize the importance of small businesses and seeks to make state government small business friendly. I urge all of my colleagues to support this measure."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2777 was adopted and S.B. No. 2803, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII SMALL BUSINESS REGULATORY FLEXIBILITY ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2778 (H.B. No. 2222, H.D. 2, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2778 be adopted and H.B. No. 2222, H.D. 2, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Baker rose in support of the measure and stated:

"Mr. President, I have some remarks in support of this bill that I'd like inserted in the Journal, please."

The Chair having so ordered, Senator Baker's remarks read as follows:

"Mr. President, I rise to speak in support of H.B. No. 2222, S.D. 2.

"The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the establishment of manufacturing extension programs. This state appropriation will be used to match federal funds provided by the National Institute for Standards and Technology. Your committee has learned that approximately \$3 million in federal funds is available to Hawaii over a six-year period with an appropriate state match. Your committee has inserted a \$2 appropriation to further the discussion on this matter.

"As we continue to seek creative ways to diversify our economy and identify alternative resources, I believe that this is an opportunity we should not miss. I urge my colleagues to support this measure and move it forward for further consideration.

"Thank you, Mr. President."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2778 was adopted and H.B. No. 2222, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO MATCH FEDERAL FUNDS FOR ESTABLISHMENT OF MANUFACTURING EXTENSION PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2779 (S.B. No. 3258, S.D. 2):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2779 was adopted and S.B. No. 3258, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION TECHNOLOGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

#### **MATTERS DEFERRED FROM EARLIER ON THE CALENDAR**

Stand. Com. Rep. No. 2504 (S.B. No. 2319, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2504 be adopted and S.B. No. 2319, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Fernandes Salling rose and said:

"Mr. President, Standing Committee Reports 2504, 2515 and 2516 deal with establishing new special funds. I've made my remarks previously, why I don't believe that we should be doing this. We need to be able to look at the programs and review them legislatively and appropriate the monies and not get into this Catch-22 with rules and regs and collecting from businesses and users, and then it proliferates, and before we know it we have more employees that are being hired, which was mentioned in one of the committees. And I don't think this is a way that we want to go in order to cut back on government spending. So, I will just incorporate those remarks with respect to those three stand coms."

Senator Slom rose to oppose the measure as follows:

"I rise to speak against the bill.

"I concur wholeheartedly with the Senator from Kauai. I think this is where we make the stand and this is where we be consistent. Years ago we had created a number of special funds. The Tax Foundation of Hawaii had warned us about the use of those funds. And now today we are trying to transfer the funds back and forth and up and down, and now we're trying to create new funds.

"So the best policy is to send a very clear message without any ambiguity and to vote 'no' on all of these bills that create new special funds. Thank you."

Senator M. Ige rose to speak against the measure and said:

"Mr. President, I, too, am going to be voting 'no' on this new special fund.

"I'd like to echo the comments of the Senator from Kauai and the Senator from Hawaii Kai that we must keep in mind to try and do our best to streamline government. And with those words, I will be voting 'no' on all of the measures that the Senator from Kauai listed. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2504 was adopted and S.B. No. 2319, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF DELINQUENT FINES AND RESTITUTION IN THE JUDICIARY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 9 (Aki, Anderson, Bunda, Fernandes Salling, Ige, M., Sakamoto, Slom, Solomon, Tanaka). Excused, 2 (Iwase, Metcalf).

Stand. Com. Rep. No. 2515 (S.B. No. 3024, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2515 was adopted and S.B. No. 3024, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO QUARANTINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 8 (Aki, Anderson, Bunda, Fernandes Salling, Sakamoto, Slom, Solomon, Tanaka). Excused, 2 (Iwase, Metcalf).

Stand. Com. Rep. No. 2516 (S.B. No. 3025, S.D. 1):

On motion by Senator Baker, seconded by Senator Fukunaga and carried, Stand. Com. Rep. No. 2516 was adopted and S.B. No. 3025, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MILK CONTROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 9 (Aki, Anderson, Bunda, Fernandes Salling, Ige, M., Sakamoto, Slom, Solomon, Tanaka). Excused, 2 (Iwase, Metcalf).

Stand. Com. Rep. No. 2682 (S.B. No. 2607):

Senator Baker moved that Stand. Com. Rep. No. 2682 be adopted and S.B. No. 2607, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Fernandes Salling rose to speak on the measure and said:

"Mr. President, I placed this at the end of the calendar because I think it goes to the heart, again, of special funds. We created this public utility special fund many, many years ago, but although the intent of the bill is good, because of the delays,



and so one would want to create these two panels, I caution again that in doing so it's going to cause (as the Public Utility Commissioner and, perhaps, even the consumer advocate) more money being spent. And who has to pay? All of the consumers this time, not just certain user fees for specific special funds, but all of us consumers will be paying.

"So with that in mind, I hope the members that are controlling this bill will take that into consideration. The question is: Do we want to have consumers in the end paying more in order to provide for two panels for the PUC to deal with these problems?"

Senator Slom rose to speak against the measure and said:

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

"Gee whiz, we could have two panels and then probably co-chairs for the PUC, but that's all duplication and more cost and if we do a better job in appointing the PUC commissioners or approving them in the first place, we won't need this because we'll have qualified people.

"Thank you, Mr. President."

Senator Solomon then said:

"W/R for me, Mr. President."

The Chair so ordered.

Senators Sakamoto and Anderson then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2682 was adopted and S.B. No. 2607, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Fernandes Salling, Slom). Excused, 2 (Iwase, Taniguchi).

S.B. No. 2922, S.D. 1:

Senator Baker moved that S.B. No. 2922, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Fernandes Salling rose and said:

"Mr. President, I believe this is probably one that I also placed on the end of the calendar. This is the capital management. This is another problem that we have if we are going to look at cutting back on state government.

"I'm voting with reservations because I support portions of the bill but the portion that I don't support is setting up another bureaucratic level, which is a joint management state capitol program or commission. And I know that some members have had problems with the management of the State Capitol, but adding another bureaucratic level is not the way to go if we are thinking of cutting back on government spending, especially if it's going to be that we're not going to get rid of DAGS, we're going to keep DAGS. And the bill calls for at least an appropriation of zero amount but the commission can hire a management director.

"For that reason, I'm going W/R. I expressed this in the Ways and Means Committee, this concern. The rest of the bill I support, but I'm going W/R because of the joint management capitol."

Senator Anderson rose to speak on the measure and said:

"Mr. President, I have some reservations on this. In fact, I have so many reservations, normally, that on this one I had a partial and they said go PW/R.

"I was confused because the title is 'Relating to Government' and it establishes a joint capitol management committee of nine, appropriates funds for joint long-term care, provides funding for the Office of the Legislative Analyst which I am very strongly for, transfers certain functions from the Auditor to the Legislative Analyst, appropriates funds for public access, and requires the Legislature to convene in special session in July of '98. All of these things are under one title and I'm not sure if that's constitutionally right or not.

"I am in favor of the analyst. I'm not too sure about having nine members for the capitol. DAGS has been running that. Now we're going to have a commission. There's all kinds of things in here, and I didn't know that we were also looking at that. In case we have to, it requires that this Legislature be convened in July of 1998, but that's another reason that I have some reservations.

"Thank you very much."

Senator Slom to speak against the measure and said:

"Mr. President, I'll be voting against the bill. I can't go semi or partially with reservations because of the many problems. So I vote 'no.' Thank you."

Senator Sakamoto rose in opposition to the bill and said:

"I rise in opposition, Mr. President, especially with regard to the special session. I think if you want an anti-incumbent fever, let's go ahead and pass a special session, Mr. President."

Senator Solomon also rose to speak against the measure as follows:

"Mr. President, I'm also rising in opposition.

"I'm opposing the insertion that calls for the special session. Also, Mr. President, I feel that this body has deliberated long and hard on long-term care. We've been discussing that issue for ten years. I think if we want to do it, we should just do it. I don't think that we need joint committees to be discussing things to death. I think it should just be done. If we feel that we need an appropriation for public access services, well, let's just do it.

"So for those reasons, Mr. President, I will be voting 'no.' Thank you."

Senator Anderson said:

"Mr. President, after listening to everybody could I please change the partial reservations to a 'no' -- a hard 'no.' Thank you."

Senator Fernandes Salling then said:

"Mr. President, after listening to what was mentioned by the previous speaker about calling for a special session, I will have to be voting 'no' also. I think we should take care of the business now."

The motion was then put by the Chair and carried, S.B. No. 2922, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 10 (Aki, Anderson, Bunda, Fernandes Salling, Ige, M., Iwase, Sakamoto, Slom, Solomon, Tanaka). Excused, 1 (Taniguchi).

At 6:08 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:10 o'clock p.m.

Stand. Com. Rep. No. 2763 (S.B. No. 3129, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2763 be adopted and S.B. No. 3129, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Sakamoto spoke on the measure as follows:

"Mr. President, related to this, I'd like to speak with reservations.

"What I'd like to do is, I received this and some of you may have received it as well, the Director of Human Resources' testimony on S.B. No. 3129. The reason I'd like to read it is it relates to some very important things. It relates to what we discussed in the budget discussion and it would have been appropriate then, as well. I'll read part of it.

'Government throughout the nation is undergoing a revolution and we are no exception. Several factors have converged to force a fundamental rethinking of government's proper role in our state. We have a strong governor who is focused on results, a Legislature that is committed to making government more efficient, while at the same time there is a continuing public distrust of government in general. Also, there is a perception that the state workforce is too large. And again, you're struggling to craft a budget and will continue to provide needed public services, but with diminishing resources -- an almost impossible task.

From this rethinking, S.B. 3129 has been made to abolish the Department of Human Resources Development and transfer its functions to the Department of Labor and Industrial Relations. Public scientists would say that this rethinking of public administration in Hawaii is a paradigm shift. And as with most such shifts, it is poorly understood, embroiled in politics and there is resistance to change. While the new paradigm has not yet fully emerged, if one sifts through the professional literature -- the popular press, media counts, legislative committee reports -- and listens to the speeches of the governor, cabinet members and lawmakers on the floors of their chambers, the outlines of the new paradigm can be discerned.

State government must become results oriented.

State government must become more efficient.

The rigid bureaucratic hierarchy designed to provide redundant and fail-safe checks and balances in the processes administered by government must be replaced with greater decision making authority for front-line employees. Of course, doing this will create another set of problems. Our delegation of certain personnel actions to align agencies will result in an increase of grievances because of the lack of uniformity among the 17 other departments and differing interpretations of rules and union contracts. Because of this, unions are prevailing in arbitration awards and this is costly to the state.

Our management style must change from command and control, to leadership defining missions and desired results and changing the organizational culture of state government. As we downsize and as we utilize information and communication technology to replace employees, human resource

issues, such as employee moral and resistance to change, must be addressed.

And finally, more emphasis must be placed on human resources if we are to improve the way state government operates so that the remaining employees can do more with less and we must give them the tools to do so. And we must remove institutional constraints with which they are now hampered.

We must also assure that our productive employees are properly compensated and treated fairly.'

"There's a lot more good things he's saying, but rather than read the whole thing, I think I'll end there. But the point being, there are very important ideas, very important functions that we can address in statute, we need to address, that will partly address the budget concerns, but many of his words over the past few years, from my observation, have gone unheeded and we need to heed them."

Senator Solomon rose and said:

"I wanted to speak with reservations on this bill also, Mr. President. I just feel that we should consolidate. I think DAGS is a much more reasonable combination. I don't think we should be consolidating with Human Resources. Thank you."

Senator Iwase then said:

"W/R please. Thank you."

The Chair so ordered.

Senator Anderson rose to speak against the measure and said:

"Mr. President, I'm going to be voting 'no.' Primarily, when I was in committee, we did have some statements on the savings. The savings at that time was not to hire people. If there was a space available, we were not going to fill it. If you're going to consolidate, to me that means you're going to be able to get rid of directors or assistant directors or something that's going to be meaningful. You don't just say that because these people there is a blank space so you're not going to hire anybody, and that's a big savings. That's not what consolidation is all about. It's to really look at it very seriously. That's one of the reasons that I think we are not doing justice because we're not really looking at every avenue and trying to really find out how we're going to solve that problem. Are we going to be able to save dollars in the state? Are we going to be able to really cut government because it needs to be cut. And that's one of the reasons I think all of us are having such a hard time. Because if we cut, where are these people going. We have to provide the jobs. We have to make sure that we're doing our job. So everybody is trying but we're not really getting down to the actual consolidation and what it's really meaningful for.

"Thank you."

At 6:18 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:19 o'clock p.m.

Senator Anderson then rose and said:

"Thank you, Mr. President. (Laughter.) I'm going to have to renege again. I'm going to have to go with reservations and not a strong 'no' on that particular bill. I'm awfully sorry for the inconvenience. Thank you."

Senator Slom then added:

"Reservations, please, Mr. President."

The Chair so ordered.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 2763 was adopted and S.B. No. 3129, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE REORGANIZATION OF THE PRINCIPAL EXECUTIVE DEPARTMENTS OF THE STATE GOVERNMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2259, S.D. 1:

Senator Baker moved that S.B. No. 2259, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom spoke on the measure as follows:

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

"I'd love to speak for the bill. I love tax credits for small business but this is a tax credit only for advertising by small business. Most small businesses have had to cut back so drastically and one of the first things they cut back is their marketing and advertising. Whether it's right or wrong, that's what they do. They could use a tax credit for their health care or for other expenditures that they make or their sublease rents, but advertising won't help.

"Thank you, Mr. President."

Senators Solomon and Iwase then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2259, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Fernandes Salling, Slom).

S.B. No. 2260, S.D. 1:

Senator Baker moved that S.B. No. 2260, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

Senator Slom rose in opposition and said:

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

"Again we'd like to do the renovation and modifications and all that, but the most important things are to cut our taxes and cut our fixed cost. So I'll be voting 'no.' Thank you."

Senators Solomon and Iwase then requested that their votes be cast "Aye, with reservations," and the Chair so ordered.

The motion was then put by the Chair and carried, S.B. No. 2260, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Fernandes Salling, Slom).

#### REFERRAL OF HOUSE BILLS

The Chair referred the following House bills that were received on Friday, March 6, 1998:

House Bill Referred to:

No. 2230, H.D. 2 Committee on Education, then to the Committee on Ways and Means

No. 2361, H.D. 1 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2376, H.D. 1 Jointly to the Committee on Economic Development and the Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2497, H.D. 1 Committee on Judiciary, then to the Committee on Ways and Means

No. 2520, H.D. 1 Committee on Judiciary

No. 2535, H.D. 1 Committee on Judiciary, then to the Committee on Ways and Means

No. 2551, H.D. 1 Committee on Human Resources, then to the Committee on Ways and Means

No. 2561, H.D. 2 Committee on Education, then to the Committee on Judiciary

No. 2562, H.D. 2 Committee on Education, then to the Committee on Ways and Means

No. 2563 Committee on Education, then to the Committee on Ways and Means

No. 2596 Committee on Transportation and Intergovernmental Affairs

No. 2614 Committee on Human Resources, then to the Committee on Ways and Means

No. 2620, H.D. 1 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2660 Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means

No. 2679, H.D. 1 Committee on Economic Development, then to the Committee on Ways and Means

No. 2695 Committee on Education

No. 2712, H.D. 1 Committee on Judiciary, then to the Committee on Ways and Means

No. 2754 Committee on Health and Environment, then to the Committee on Ways and Means

No. 2761 Committee on Human Resources, then to the Committee on Ways and Means

No. 2762, H.D. 1 Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means

No. 2763, H.D. 1 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 2774 Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Judiciary

No. 2778 Committee on Water, Land, and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2787, H.D. 1 Jointly to the Committee on Water, Land, and Hawaiian Affairs and the Committee on Transportation and Intergovernmental Affairs

No. 2793 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 2798 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 2801, H.D. 1 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 2802 Committee on Ways and Means

No. 2803 Committee on Human Resources, then to the Committee on Ways and Means

No. 2834, H.D. 1 Jointly to the Committee on Education and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2835, H.D. 1 Jointly to the Committee on Education and the Committee on Human Resources, then to the Committee on Ways and Means

No. 2837, H.D. 1 Committee on Education, then to the Committee on Judiciary

No. 2842, H.D. 1 Committee on Health and Environment, then to the Committee on Ways and Means

No. 2844, H.D. 1 Committee on Health and Environment, then to the Committee on Commerce, Consumer Protection, and Information Technology

No. 2846, H.D. 1 Committee on Judiciary, then to the Committee on Ways and Means

No. 2857 Committee on Health and Environment, then to the Committee on Ways and Means

No. 2859, H.D. 1 Committee on Health and Environment, then to the Committee on Ways and Means

No. 2870 Committee on Human Resources, then to the Committee on Ways and Means

No. 2872, H.D. 1 Committee on Transportation and Intergovernmental Affairs

No. 2875 Committee on Water, Land, and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2899 Committee on Education, then to the Committee on Commerce, Consumer Protection, and Information Technology

No. 2958, H.D. 1 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 2969, H.D. 1 Committee on Economic Development, then to the Committee on Ways and Means

No. 2988 Committee on Economic Development, then to the Committee on Ways and Means

No. 3000 Committee on Human Resources, then to the Committee on Ways and Means

No. 3024 Committee on Human Resources, then to the Committee on Ways and Means

No. 3026 Committee on Human Resources, then to the Committee on Ways and Means

No. 3031 Committee on Judiciary, then to the Committee on Ways and Means

No. 3036, H.D. 1 Committee on Ways and Means

No. 3039 Committee on Ways and Means

No. 3053 Committee on Human Resources

No. 3055 Committee on Human Resources

No. 3059 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Human Resources

No. 3225, H.D. 1 Committee on Human Resources, then to the Committee on Ways and Means

No. 3247, H.D. 1 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 3248, H.D. 1 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 3313, H.D. 1 Committee on Transportation and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 3317 Committee on Government Operations and Housing, then to the Committee on Ways and Means

No. 3400, H.D. 2 Committee on Judiciary, then to the Committee on Ways and Means

No. 3446 Jointly to the Committee on Government Operations and Housing and the Committee on Health and Environment, then to the Committee on Ways and Means

No. 3524 Committee on Government Operations and Housing, then to the Committee on Ways and Means

**REFERRAL OF SENATE CONCURRENT RESOLUTIONS**

The President made the following committee assignments of concurrent resolutions that were offered on Friday, March 6, 1998:

Senate Concurrent Resolution	Referred to:
No. 46	Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means
No. 47	Jointly to the Committee on Education and the Committee on Health and Environment
No. 48	Jointly to the Committee on Health and Environment, the Committee on Human Resources and the Committee on Commerce, Consumer Protection, and Information Technology, then to the Committee on Ways and Means

**REFERRAL OF SENATE RESOLUTION**

The President made the following committee assignment of a resolution that was offered on Friday, March 6, 1998:

Senate Resolution	Referred to:
No. 15	Jointly to the Committee on Education and the Committee on Health and Environment

Senator Solomon rose on a point of personal privilege and said:

"I'm rising on a point of personal privilege.

"Mr. President, I call your attention to Sunday's edition of the Advertiser with a long article by Gregg Wiles and Susan Hooper entitled 'Reacting to Rude Awakening' stating, in short, that Hawaii has slept through years of indications of an economic nightmare. They state that the current economic decline is without precedent in our history.

"Mr. President, I want to memorialize today that there were persons in this body with whom I have served that regularly and consistently warned us of our over-regulations, high taxes, our bloated bureaucracy and our failure to maintain a high class public educational system. They have for years stressed the need to diversify our economy by supporting small businesses and have championed economic development bills every session, usually in the face of opposition from the administration. They have joined me at every opportunity in noting the remarkable fact that Hawaii is at the bottom of all the states in providing tax and financial incentives to encourage and attract business development. We knew and said with President Clinton that 'It's the economy stupid.'

"Dr. Naya is quoted as saying we need structural change and such change requires strong determination. He's right! We've got to listen to those lonely voices not satisfied with supporting the economic status quo.

"Thank you very much, Mr. President."

The President then said:

"The Chair would like to thank all the members of the Senate for your patience and your forbearance and your thoughtful discussion on all of the bills that we passed today in the Senate. The journey has just begun, and we appreciate your cooperation and your hard work."

#### ADJOURNMENT

At 6:25 o'clock p.m., on motion by Senator Ihara, seconded by Senator Slom and carried, the Senate adjourned until 11:30 o'clock a.m., Thursday, March 12, 1998.

ATTACHMENT "A"DHS Child Welfare Initiatives  
January, 1998

## Vision

Community and neighborhood focused services  
 Strengths-oriented practice  
 Family empowering models  
 Multi-agency; collaborative; partnerships  
 Evaluations by Outcomes

**Community and neighborhood focused:**

- \* DHS Re-organization July 1, 1997: A separate Social Services Division with decentralized, geographical intake and services
- \* RFP's awarded for two Neighborhood Places Pilot Sites (Waipahu and Kona)
- \* Queen Liliuokalani Children's Center Navigators' Project funded
- \* Child Welfare Unit Co-located in Ewa Family Campus (April 1, 1998)

**Strengths-Oriented Practice:**

- \* Foster Parent/Adoption Recruitment and Training Grants (on-going)
- \* Collaboratively designed training curriculum with current foster parents as trainers along side CPS staff
- \* Title IV-E Training Partnership with the School of Social Work (planned to begin August, 1998 with 10 students)

**Family Empowerment:**

- \* Family conferencing (Ohana Project). Implemented in Waianae, January, 1997; training on going for statewide implementation.

**Multi-agency; collaborative partnerships**

- \* Blueprint for Child Welfare Reform Coordinating Committee
- \* Child Welfare Advisory Committee
- \* Title IV B-subpart 2 Family Strengthening Family Support Regional Planning
- \* QLCC Trainings in Collaborations and Partnerships
- \* Applesseed Foundation pro-bono project
- \* A Diversion Purchase of Service Contract
- \* Contracted out family studies for prospective adopting families

**Evaluations by Outcomes**

- \* Outcomes Initiative Completed Dec. 1997
- \* Risk Assessment Matrix piloted on Maui; ready for statewide implementation

**Policies and Procedures**

- \* A Child Placement Review Team was implemented (January 1997) to review each child removal
- \* A DHS team made up of people outside of the case management unit working with the family will review every re-abuse case prior to re-unification
- \* Confidentiality Rules have been re-written to provide more information and be more accessible to families
- \* Adoption Backlog Initiatives have increased the number of successful adoptions by over 200%
- \* CPS established (9/97) a new serious abuse and death review procedure which includes both internal and external reviews of practice and procedures
- \* DHS has instituted (2/2/98) a shortage pay differential to recruit staff in the units identified by DHRD which had a history of high turnover or long term vacancies
- \* Maximizing federal funds
- \* Instituted DHS Training Academy to improve training for new CPS workers and re-enforce training for on-going workers
- \* New RFP for foster home recruitment
- \* Technical Assistance by National Resource Centers (funded by Title IV-E funds)
- \* Filled majority of vacant positions
- \* Provide staff with management consultation and de-briefing sessions
- \* Amended CWS rules to reflect a strengths-based practice that highlights the safety of each child
- \* Issuing a Procedures Manual to insure uniform state-wide practice and decision making

**Challenges**

- \* Vacancies and staff turnover will continue
- \* On-going training must remain a priority
- \* Can not tolerate budget cuts
- \* Need better information across the system (hospitals, private agencies; DOH, DOE, Judiciary) to evaluate effective practice
- \* Need media help to inform the community about abuse and neglect