

NINTH DAY

Wednesday, January 30, 2002

The Senate of the Twenty-First Legislature of the State of Hawaii, Regular Session of 2002, convened at 11:44 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by Pastor Owen Tanoue, Kalihi Union Church, after which the Roll was called showing all Senators present.

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

HOUSE COMMUNICATION

Hse. Com. No. 4, transmitting H.C.R. No. 7, H.D. 1, which was adopted by the House of Representatives on January 29, 2002, was read by the Clerk and was placed on file.

By unanimous consent, action on H.C.R. No. 7, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION CONTINUING THE JOINT SENATE-HOUSE INVESTIGATIVE COMMITTEE TO INVESTIGATE THE STATE'S EFFORTS TO COMPLY WITH THE FELIX CONSENT DECREE," was deferred until Thursday, January 31, 2002.

SENATE CONCURRENT RESOLUTIONS

The following concurrent resolutions (S.C.R. Nos. 26 to 28) were read by the Clerk and were deferred:

Senate Concurrent Resolution

No. 26 "SENATE CONCURRENT RESOLUTION REQUESTING AND SUPPORTING IMPLEMENTATION OF A SINGLE ENTRY POINT SYSTEM FOR LONG-TERM CARE SERVICES."

Offered by: Senator Matsuura.

No. 27 "SENATE CONCURRENT RESOLUTION REQUESTING AN EVALUATION OF THE PROBLEMS OF LEASES ON PUBLIC LANDS DUE TO EXPIRE."

Offered by: Senators Inouye, English, Kokubun, Chun Oakland, Chun, Hemmings, Matsunaga, Ihara, Nakata, Kawamoto.

No. 28 "SENATE CONCURRENT RESOLUTION REQUESTING THE STATE DEPARTMENT OF TRANSPORTATION TO REVIEW THE STATE OF HAWAII'S PHOTO TRAFFIC ENFORCEMENT PROGRAM."

Offered by: Senators Kawamoto, Tam, Fukunaga, Kanno, Menor, Inouye.

SENATE RESOLUTION

The following resolution (S.R. No. 9) was read by the Clerk and was deferred:

Senate Resolution

No. 9 "SENATE RESOLUTION REQUESTING THE STATE DEPARTMENT OF TRANSPORTATION TO

REVIEW THE STATE OF HAWAII'S PHOTO TRAFFIC ENFORCEMENT PROGRAM."

Offered by: Senators Kawamoto, Tam, Fukunaga, Kanno, Inouye, Menor.

STANDING COMMITTEE REPORT

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 2002) recommending that the Senate advise and consent to the nomination of GLENN M. OKIMOTO, PH.D., as the Comptroller, in accordance with Gov. Msg. No. 1.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 2002 and Gov. Msg. No. 1 was deferred until Thursday, January 31, 2002.

SPECIAL COMMITTEE REPORT

Senator Matsuura for the Special Joint Legislative Committee on Long-Term Care Financing, presented a report (Spec. Com. Rep. No. 4), of certain findings and recommendations of the Committee.

The President then ordered the Clerk to file Spec. Com. Rep. No. 4.

ORDER OF THE DAY

REFERRAL OF SENATE BILLS

The President made the following committee assignments of bills introduced on Wednesday, January 23, 2002, and Friday, January 25, 2002:

Senate Bill Referred to:

No. 2678 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2679 Committee on Education, then to the Committee on Ways and Means

No. 2680 Jointly to the Committee on Education and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means

No. 2681 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2682 Committee on Ways and Means

No. 2683 Committee on Judiciary

No. 2684 Committee on Health and Human Services, then to the Committee on Judiciary

No. 2685 Committee on Judiciary

No. 2686 Committee on Health and Human Services, then to the Committee on Judiciary

- No. 2687 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2688 Jointly to the Committee on Health and Human Services and the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2689 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2690 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2691 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2692 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2693 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2694 Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
- No. 2695 Committee on Judiciary
- No. 2696 Committee on Judiciary
- No. 2697 Committee on Judiciary
- No. 2698 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2699 Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
- No. 2700 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2701 Committee on Commerce, Consumer Protection and Housing
- No. 2702 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Economic Development and Technology, then to the Committee on Ways and Means
- No. 2703 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2704 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary
- No. 2705 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary
- No. 2706 Jointly to the Committee on Economic Development and Technology and the Committee on Water, Land, Energy, and Environment
- No. 2707 Committee on Economic Development and Technology, then to the Committee on Transportation, Military Affairs, and Government Operations
- No. 2708 Committee on Commerce, Consumer Protection and Housing
- No. 2709 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
- No. 2710 Committee on Transportation, Military Affairs, and Government Operations
- No. 2711 Committee on Economic Development and Technology, then to the Committee on Ways and Means
- No. 2712 Committee on Economic Development and Technology, then to the Committee on Ways and Means
- No. 2713 Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2714 Committee on Tourism and Intergovernmental Affairs
- No. 2715 Committee on Labor, then to the Committee on Ways and Means
- No. 2716 Committee on Ways and Means
- No. 2717 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2718 Committee on Labor, then to the Committee on Ways and Means
- No. 2719 Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
- No. 2720 Committee on Labor, then to the Committee on Ways and Means
- No. 2721 Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2722 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2723 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2724 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2725 Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2726 Committee on Commerce, Consumer Protection and Housing
- No. 2727 Committee on Commerce, Consumer Protection and Housing
- No. 2728 Committee on Commerce, Consumer Protection and Housing
- No. 2729 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary

No. 2730	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary	No. 2749	Committee on Health and Human Services, then to the Committee on Judiciary
No. 2731	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary	No. 2750	Committee on Hawaiian Affairs, then to the Committee on Ways and Means
No. 2732	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary	No. 2751	Committee on Hawaiian Affairs
No. 2733	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary	No. 2752	Committee on Hawaiian Affairs, then to the Committee on Ways and Means
No. 2734	Committee on Commerce, Consumer Protection and Housing	No. 2753	Committee on Health and Human Services, then to the Committee on Ways and Means
No. 2735	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means	No. 2754	Committee on Health and Human Services, then to the Committee on Judiciary
No. 2736	Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Labor, then to the Committee on Ways and Means	No. 2755	Committee on Labor, then to the Committee on Ways and Means
No. 2737	Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means	No. 2756	Committee on Labor, then to the Committee on Judiciary
No. 2738	Committee on Education, then to the Committee on Ways and Means	No. 2757	Committee on Labor, then to the Committee on Ways and Means
No. 2739	Committee on Labor, then to the Committee on Ways and Means	No. 2758	Committee on Labor, then to the Committee on Ways and Means
No. 2740	Committee on Education, then to the Committee on Ways and Means	No. 2759	Committee on Labor, then to the Committee on Ways and Means
No. 2741	Committee on Education, then to the Committee on Ways and Means	No. 2760	Jointly to the Committee on Health and Human Services and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
No. 2742	Jointly to the Committee on Commerce, Consumer Protection and Housing and the Committee on Judiciary, then to the Committee on Ways and Means	No. 2761	Committee on Health and Human Services, then to the Committee on Ways and Means
No. 2743	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means	No. 2762	Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing
No. 2744	Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means	No. 2763	Committee on Health and Human Services, then to the Committee on Ways and Means
No. 2745	Committee on Health and Human Services, then to the Committee on Judiciary	No. 2764	Committee on Health and Human Services, then to the Committee on Ways and Means
No. 2746	Jointly to the Committee on Economic Development and Technology, the Committee on Education and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means	No. 2765	Committee on Health and Human Services, then to the Committee on Judiciary
No. 2747	Committee on Education, then to the Committee on Labor	No. 2766	Jointly to the Committee on Health and Human Services and the Committee on Labor, then to the Committee on Judiciary
No. 2748	Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary	No. 2767	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
		No. 2768	Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Commerce, Consumer Protection and Housing
		No. 2769	Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing

- No. 2770 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2771 Jointly to the Committee on Health and Human Services and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2772 Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2773 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2774 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2775 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2776 Committee on Health and Human Services
- No. 2777 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2778 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
- No. 2779 Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2780 Jointly to the Committee on Health and Human Services and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary
- No. 2781 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2782 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2783 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
- No. 2784 Committee on Labor
- No. 2785 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Labor, then to the Committee on Ways and Means
- No. 2786 Committee on Labor, then to the Committee on Ways and Means
- No. 2787 Committee on Labor
- No. 2788 Committee on Labor
- No. 2789 Jointly to the Committee on Labor and the Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2790 Committee on Education, then to the Committee on Ways and Means
- No. 2791 Committee on Education, then to the Committee on Judiciary
- No. 2792 Committee on Education, then to the Committee on Judiciary
- No. 2793 Committee on Education, then to the Committee on Ways and Means
- No. 2794 Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary
- No. 2795 Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary
- No. 2796 Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2797 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary
- No. 2798 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Economic Development and Technology, then to the Committee on Ways and Means
- No. 2799 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2800 Jointly to the Committee on Economic Development and Technology, the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2801 Jointly to the Committee on Economic Development and Technology, the Committee on Water, Land, Energy, and Environment and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
- No. 2802 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2803 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Economic Development and Technology, then to the Committee on Ways and Means
- No. 2804 Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2805 Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2806 Committee on Water, Land, Energy, and Environment
- No. 2807 Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2808 Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary

No. 2809	Committee on Economic Development and Technology, then to the Committee on Judiciary	No. 2834	Committee on Economic Development and Technology, then to the Committee on Ways and Means
No. 2810	Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary	No. 2835	Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
No. 2811	Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means	No. 2836	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
No. 2812	Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means	No. 2837	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
No. 2813	Committee on Hawaiian Affairs	No. 2838	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
No. 2814	Committee on Ways and Means	No. 2839	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Commerce, Consumer Protection and Housing
No. 2815	Committee on Education, then to the Committee on Ways and Means	No. 2840	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary
No. 2816	Committee on Education, then to the Committee on Ways and Means	No. 2841	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Commerce, Consumer Protection and Housing
No. 2817	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means	No. 2842	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
No. 2818	Committee on Health and Human Services, then to the Committee on Judiciary	No. 2843	Jointly to the Committee on Education and the Committee on Judiciary, then to the Committee on Ways and Means
No. 2819	Committee on Judiciary, then to the Committee on Ways and Means	No. 2844	Committee on Ways and Means
No. 2820	Committee on Health and Human Services, then to the Committee on Judiciary	No. 2845	Jointly to the Committee on Labor and the Committee on Education, then to the Committee on Ways and Means
No. 2821	Committee on Judiciary, then to the Committee on Ways and Means	No. 2846	Jointly to the Committee on Education and the Committee on Labor, then to the Committee on Ways and Means
No. 2822	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary	No. 2847	Committee on Commerce, Consumer Protection and Housing
No. 2823	Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary	No. 2848	Committee on Commerce, Consumer Protection and Housing
No. 2824	Committee on Ways and Means	No. 2849	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
No. 2825	Jointly to the Committee on Economic Development and Technology and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means	No. 2850	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
No. 2826	Committee on Ways and Means	No. 2851	Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
No. 2827	Committee on Ways and Means		
No. 2828	Committee on Ways and Means		
No. 2829	Committee on Health and Human Services, then to the Committee on Ways and Means		
No. 2830	Committee on Ways and Means		
No. 2831	Committee on Ways and Means		
No. 2832	Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means		
No. 2833	Committee on Ways and Means		

- No. 2852 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2853 Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Health and Human Services, then to the Committee on Judiciary
- No. 2854 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary
- No. 2855 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
- No. 2856 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Judiciary
- No. 2857 Committee on Judiciary
- No. 2858 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Judiciary
- No. 2859 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Education, then to the Committee on Ways and Means
- No. 2860 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary
- No. 2861 Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2862 Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Water, Land, Energy, and Environment, then to the Committee on Judiciary
- No. 2863 Committee on Ways and Means
- No. 2864 Committee on Economic Development and Technology, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2865 Jointly to the Committee on Economic Development and Technology and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2866 Jointly to the Committee on Economic Development and Technology and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2867 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2868 Jointly to the Committee on Economic Development and Technology, the Committee on Education and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
- No. 2869 Jointly to the Committee on Hawaiian Affairs and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means
- No. 2870 Jointly to the Committee on Agriculture and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2871 Jointly to the Committee on Health and Human Services and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2872 Committee on Ways and Means
- No. 2873 Committee on Agriculture, then to the Committee on Ways and Means
- No. 2874 Committee on Economic Development and Technology, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2875 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means
- No. 2876 Committee on Ways and Means
- No. 2877 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Agriculture, then to the Committee on Ways and Means
- No. 2878 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2879 Committee on Education, then to the Committee on Ways and Means
- No. 2880 Committee on Hawaiian Affairs, then to the Committee on Ways and Means
- No. 2881 Committee on Health and Human Services, then to the Committee on Ways and Means
- No. 2882 Committee on Health and Human Services, then to the Committee on Transportation, Military Affairs, and Government Operations
- No. 2883 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2884 Committee on Health and Human Services, then to the Committee on Commerce, Consumer Protection and Housing
- No. 2885 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means
- No. 2886 Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means
- No. 2887 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Ways and Means

No. 2888 Committee on Commerce, Consumer Protection and Housing

No. 2889 Jointly to the Committee on Economic Development and Technology, the Committee on Water, Land, Energy, and Environment and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Judiciary

No. 2890 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Commerce, Consumer Protection and Housing

No. 2891 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Judiciary

No. 2892 Committee on Ways and Means

No. 2893 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2894 Committee on Health and Human Services, then to the Committee on Judiciary

No. 2895 Jointly to the Committee on Hawaiian Affairs and the Committee on Education, then to the Committee on Ways and Means

No. 2896 Committee on Education, then to the Committee on Ways and Means

No. 2897 Jointly to the Committee on Hawaiian Affairs and the Committee on Education, then to the Committee on Ways and Means

No. 2898 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Hawaiian Affairs, then to the Committee on Judiciary

No. 2899 Committee on Ways and Means

No. 2900 Jointly to the Committee on Labor and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means

No. 2901 Committee on Education, then to the Committee on Ways and Means

No. 2902 Committee on Labor, then to the Committee on Judiciary

No. 2903 Committee on Ways and Means

No. 2904 Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Health and Human Services, then to the Committee on Ways and Means

No. 2905 Committee on Tourism and Intergovernmental Affairs, then to the Committee on Judiciary

No. 2906 Jointly to the Committee on Tourism and Intergovernmental Affairs and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary

No. 2030 Committee on Water, Land, Energy, and Environment, then to the Committee on Commerce, Consumer Protection and Housing

No. 2080 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2095 Jointly to the Committee on Health and Human Services and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2101 Jointly to the Committee on Education, the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2102 Jointly to the Committee on Education, the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2179 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means

No. 2181 Jointly to the Committee on Health and Human Services and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2217 Jointly to the Committee on Water, Land, Energy, and Environment and the Committee on Tourism and Intergovernmental Affairs, then to the Committee on Commerce, Consumer Protection and Housing

No. 2218 Jointly to the Committee on Commerce, Consumer Protection and Housing and the Committee on Water, Land, Energy, and Environment, then to the Committee on Ways and Means

No. 2226 Jointly to the Committee on Economic Development and Technology and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2253 Jointly to the Committee on Economic Development and Technology, the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2261 Jointly to the Committee on Education, the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2301 Jointly to the Committee on Transportation, Military Affairs, and Government Operations, the Committee on Commerce, Consumer Protection and Housing and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2342 Committee on Judiciary, then to the Committee on Ways and Means

RE-REFERRAL OF SENATE BILLS

The Chair re-referred the following Senate bills that were introduced:

Senate Bill Referred to:

No. 2382 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Economic Development and Technology

No. 2400 Committee on Judiciary, then to the Committee on Ways and Means

No. 2401 Jointly to the Committee on Water, Land, Energy, and Environment, the Committee on Economic Development and Technology and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means

No. 2430 Jointly to the Committee on Transportation, Military Affairs, and Government Operations, the Committee on Tourism and Intergovernmental Affairs and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2444 Jointly to the Committee on Labor, the Committee on Education and the Committee on Judiciary, then to the Committee on Ways and Means

No. 2472 Committee on Hawaiian Affairs

No. 2478 Committee on Hawaiian Affairs

No. 2479 Committee on Water, Land, Energy, and Environment

No. 2483 Committee on Water, Land, Energy, and Environment

No. 2489 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2518 Jointly to the Committee on Agriculture and the Committee on Commerce, Consumer Protection and Housing

Senator Menor rose on a point of personal privilege and said:

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

“Mr. President, I would like to offer brief remarks on the issue of the proposed Aloha and Hawaiian Airlines merger. Both Senator Kawamoto and I will be co-sponsoring and introducing Senate resolutions opposing the merger. Let me briefly take the opportunity to explain the reasons why we have decided to take this action.

“Last week I listened, along with many of you, to the arguments made by the managers of Aloha Airlines and Hawaiian Airlines, as well as those offered by representatives of Texas-based TurnWorks, which ultimately seeks to control the fate of air transportation within Hawaii.

“Although the Senate Committees convened were not granted an audience with TurnWorks CEO Greg Brenneman, we were afforded the opportunity to question one of his spokesmen. And having heard the case for a merger presented by the management teams of the three companies, I have to say that I did not find their collective or individual arguments sufficiently compelling to enlist my support at this time – especially when weighed against the dangers attendant to the proposed merger.

“Mr. President, and what are these dangers?

“They are the dangers that can accompany a monopoly: higher fares, decreased quality of service, increased cost of transporting goods and services, lack of space and timely flights for neighbor island agricultural and manufactured products being shipped to markets. These are insidious costs that creep into the prices we pay for virtually everything we consume. Almost imperceptibly our cost of living will increase, while our quality of life will continue to fall. I am also very concerned about the prospect of employee layoffs and the financial hardships that this will cause for many of our working families.

“Mr. President, these are not inconveniences we are being asked to endure for a greater good, like security checks that maintain safety. No, these are the seeds of economic disaster whose only sure result will be increased profits for the management of the companies proposing this radical change. And every one of the side effects of the proposed monopoly carries grave economic consequences that will take their toll on the people of our State.

“Much attention has been devoted to the impact of higher fares for interisland travel. We’ve heard how higher ticket prices will make it more difficult for Hawaii residents to visit family and friends living on different islands. And beyond the emotional and social impact of separation, an economic problem may loom. Because, when local people reduce their trips to the neighbor islands, the pace of commerce slows as well. And businesses throughout the State suffer.

“That suffering may be compounded many times over when the cost of air transportation also curtails visitor travel. The demand for vacations in Hawaii will surely fall as the price goes up. And fewer visitors will be able to enjoy all that the neighbor islands have to offer. I’ve heard nothing, Mr. President, that would improve on what our current carrier system provides.

“As chairs of the Senate Committees charged with overseeing transportation and commerce, Senator Kawamoto and I are aware that other measures have been introduced to address this issue during this Session. However, the arguments they contain do not adequately cover the threat presented by the proposed merger. Nor do they deal with recent revelations about the financial viability of the merger candidates. That is why we are going to be introducing these new Senate resolutions this Session.

“We also want to highlight quality of service. For many visitors this represents one of the most tangible aspects of the aloha spirit. When we lose it, we’ve lost the very thing that sets Hawaii apart from every other destination. Putting more travelers on fewer flights will not provide the kind of experience that local consumers, as well as visitors, have every right to expect.

“Mr. President, the Legislature wisely saw the dangers posed by a system in which a single carrier dominates Hawaii’s intrastate air traffic. To prevent such a scenario from occurring, the Legislature in 1993 passed Act 332 to establish an Air Carrier Commission. The proposed merger would appear to violate the intent of Act 332 and the will of the people as expressed through their elected representatives. And there was nothing to persuade me in the testimony of the airline executives that their plan will allow competition in the future.

“Moreover, the statements made in the Honolulu Advertiser recently by Mr. Zander indicate that Aloha Airlines turned a profit as recently as 1998 and remains a viable competitor to Hawaiian Airlines. Volatility characterizes the airline industry, subject as it is to outside forces, including fuel prices, economic conditions in key markets, the psychology of travelers who are

sensitive to events like those that occurred on September 11. Considering these factors and the ongoing economic depression in Japan and the recession on the mainland, which resulted in a dramatic drop in visitors, it cannot be said that recent years have been characteristic for the local travel industry. Therefore, recent anomalies in the travel market are no reason, Mr. President, to cut and run now.

“Aloha Airlines also issued a press release yesterday saying that Mr. Zander had regained the Governor’s support for the merger by pleading his case again. Unless he told the Governor something different than he told my Committee, I would find it very difficult to support the bid for a merger, considering the tremendous downside potential that it presents.

“I should also add that we have not seen all the financial records of the companies involved. We do not know what bonuses and financial benefits were given to top management in these two companies over the past two years or the dollar value of these perks.

“For all these reasons, I ask my colleagues to seriously consider joining Senator Kawamoto and myself in opposing the proposed airline merger unless a more compelling case can be made by the representatives of the airlines for approving such an arrangement.

“Thank you, Mr. President.”

Senator Hemmings also rose on a point of personal privilege and stated:

“Mr. President, I rise on a point of personal privilege and pleasure.

“Mr. President and colleagues, it gives me great pleasure to endorse the remarks from the Minority perspective of the good Senator from Mililani and Waipahu. I think he clearly enunciated concerns our constituents throughout the State have regarding the proposed merger. More importantly the concerns that we had as a Minority, when in fact we have introduced a resolution addressing these very issues and requesting a hearing on it last week. We’re glad that Senators Menor and Kawamoto have agreed to hear this issue in the form of a resolution we quite frankly want to offer you in the spirit of bipartisan cooperation. We’ve already done the paperwork. Our resolution is ready to be heard.

“The previous speaker also mentioned the ‘seeds of economic disaster.’ Nothing could be more true about monopolies. But I would suggest to the Majority Party that monopolies run wild throughout this State. We have a monopoly on energy where our State is still as dependent on fossil fuels for most of our energy as we were 25 years ago when we had a fuel crisis. Does our largest energy company control the PUC or does the PUC control it for the benefit of our consumers? Evidence is that we have the highest electrical rates in the nation because of this monopoly and no competition in the marketplace.

“We have a transportation monopoly where passenger, freight, and other transportation are monopolized by a handful of companies at the expense of consumers throughout this State. The worst monopoly of course is the bus system on the island of Oahu. It used to operate as a free enterprise company. It was taken over by government and now is subsidized by the Oahu taxpayers to the great sum of money of sometimes 80 or 90 million dollars a year, which is reflected in property tax rates.

“We have a monopoly in state hospitals, which is protected by an incredible process called a ‘certificate of need’ where

government says, with political appointed delegates, who can compete and who can’t compete. Just recently, the taxpayers continue to subsidize a failing hospital system with a magnetic resonance imaging machine that cost \$1 million on the Big Island. When the private sector wanted to come in and compete, government said ‘no, we’re going to protect our monopoly.’

“We have a monopoly in public education, believe it or not, where the BOE and the DOE collect and spend well over a billion dollars. The budget has more than doubled since I was last here in the Legislature in the ’80s and the quality of education has not improved. But this monopoly could easily be broken with chartered schools and other innovative systems that other states are utilizing, but not this state. We continue to endorse the monopoly. The BOE is trying to put chartered schools out of business as we speak.

“We have a monopoly in the medical insurance industry. The prepaid health plan is a disaster for our local consuming medical services and we have one company that pretty much dominates the market at great expense. No other state has a prepaid health plan like ours.

“So, to the good Senator from Mililani and Waipahu, thank you so much for your elegant words regarding the proposed monopoly of these airlines, but we must go much further. I think I can speak for both my colleagues here that your loyal opposition, your Minority Party, is ready to work with you on this and other initiatives.

“Thank you, Mr. President.”

ADJOURNMENT

At 12:05 o’clock p.m., on motion by Senator English, seconded by Senator Hemmings and carried, the Senate adjourned until 11:30 o’clock a.m., Thursday, January 31, 2002.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate