

FORTY-SEVENTH DAY

Tuesday, April 9, 2002

The Senate of the Twenty-First Legislature of the State of Hawaii, Regular Session of 2002, convened at 10:20 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Michael Crosby, OFM, Co-Cathedral of St. Theresa Church, after which the Roll was called showing all Senators present.

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

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 257 to 291) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 257, submitting for consideration and confirmation to the Board of Agriculture, the nominations of CARL A. CARLSON, JR., BENJAMIN K. LINDSEY and WES SAHARA, terms to expire June 30, 2006, was referred to the Committee on Agriculture.

Gov. Msg. No. 258, submitting for consideration and confirmation to the Contractors License Board, the nominations of LESLIE ISEMOTO and ALVIN T. KOBAYASHI, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 259, submitting for consideration and confirmation to the State Foundation on Culture and the Arts Commission, the nominations of: CHARLES M. FREEDMAN, terms to expire June 30, 2002, and June 30, 2006; MARY PHILPOTTS, term to expire June 30, 2005; and MONA ABADIR, term to expire June 30, 2006, was referred to the Committee on Education.

Gov. Msg. No. 260, submitting for consideration and confirmation to the Defender Council, the nominations of DANA S. ISHIBASHI and PAMELA E. TAMASHIRO, terms to expire June 30, 2006, was referred to the Committee on Judiciary.

Gov. Msg. No. 261, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nominations of BARBARA K. IDETA, CAROL H. KIKKAWA-WARD, ROBERT P. TAKUSHI and JOAN P. WHITE, terms to expire June 30, 2006, was referred to the Committee on Health and Human Services.

Gov. Msg. No. 262, submitting for consideration and confirmation to the Board of Electricians and Plumbers, the nominations of: CAROL H. IGARASHI, term to expire June 30, 2005; and SAM FAILLA and JUNE UYEHARA-ISONO, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 263, submitting for consideration and confirmation to the Elevator Mechanics Licensing Board, the nominations of PAUL W. CONDRY and KENNETH N. SHIIRA, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 264, submitting for consideration and confirmation to the State Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, the

nominations of ROBERT Y. AKINAKA, ALFREDO G. EVANGELISTA, KEN K. HAYASHIDA and LAUREL MAU NAHME, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 265, submitting for consideration and confirmation to the Board of Directors of the Hawai'i Health Systems Corporation, the nominations of: KENNETH H. SANDEFUR, term to expire June 30, 2004; and RICHARD E. MEIERS, term to expire June 30, 2006, was referred to the Committee on Health and Human Services.

Gov. Msg. No. 266, submitting for consideration and confirmation to the Hawai'i Television and Film Advisory Board, the nominations of: BRENDA K.H. CHING, term to expire June 30, 2003; and CHRISTOPHER LEE, term to expire June 30, 2006, was referred to the Committee on Economic Development and Technology.

Gov. Msg. No. 267, submitting for consideration and confirmation to the Board of Directors, Hawai'i Strategic Development Corporation, the nominations of: GLENN S. YAMADA, term to expire June 30, 2003; EDMUND C. ACZON, term to expire June 30, 2005; and ALLAN S. KITAGAWA, term to expire June 30, 2006, was referred to the Committee on Economic Development and Technology.

Gov. Msg. No. 268, submitting for consideration and confirmation to the Board of Directors, Hawai'i Tourism Authority, the nominations of LAWRENCE M. JOHNSON, NADINE K. NAKAMURA, SHARON R. WEINER and STEPHEN K. YAMASHIRO, terms to expire June 30, 2006, was referred to the Committee on Tourism and Intergovernmental Affairs.

Gov. Msg. No. 269, submitting for consideration and confirmation to the Board of Directors, High Technology Development Corporation, the nominations of STACEY C.G. HEE and GAIL ANN M. HONDA, PH.D., terms to expire June 30, 2006, was referred to the Committee on Economic Development and Technology.

Gov. Msg. No. 270, submitting for consideration and confirmation to the Board of Directors, Housing and Community Development Corporation of Hawai'i, the nominations of: STEVEN J. NISHIMURA, term to expire June 30, 2004; and AIPOPO AIPOPO JR. and WESLEY R. SEGAWA, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 271, submitting for consideration and confirmation to the Kaho'olawe Island Reserve Commission, the nomination of NOA EMMETT ALULI, M.D., term to expire June 30, 2005, was referred to the Committee on Water, Land, Energy, and Environment.

Gov. Msg. No. 272, submitting for consideration and confirmation to the Board of Land and Natural Resources, the nomination of GERALD L. DE MELLO, term to expire June 30, 2006, was referred to the Committee on Water, Land, Energy, and Environment.

Gov. Msg. No. 273, submitting for consideration and confirmation to the Board of Massage Therapy, the nominations of VICKI VON STROHEIM-SEAY, MICHELLE NAKATA TAKEMOTO and EMY M. YAMAUCHI, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 274, submitting for consideration and confirmation to the Medical Advisory Board, the nominations of SAMUEL DACANAY, M.D., DAVID A. KAKU, M.D., KEVIN K. LUI, O.D., and DAVID MAI, M.D., terms to expire June 30, 2006, was referred to the Committee on Transportation, Military Affairs, and Government Operations.

Gov. Msg. No. 275, submitting for consideration and confirmation to the Board of Medical Examiners, the nominations of: G. MARKUS POLIVKA, term to expire June 30, 2003; CULLEN T. HAYASHIDA, PH.D., term to expire June 30, 2005; and MICHAEL H. DANG, M.D., and GREGORY PARK, M.D., terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 276, submitting for consideration and confirmation to the State Board of Nursing, the nominations of STEPHEN A. KULA, PH.D., BENJAMIN MERCADO, L.P.N., MARY FRANCES ONEHA, PH.D., and BARBARA ANN TANNER, R.N., terms to expire June 30, 2005, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 277, submitting for consideration and confirmation to the Board of Examiners in Optometry, the nominations of JON M. ISHIHARA, O.D., and LEE T. NAKAMURA, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 278, submitting for consideration and confirmation to the Board of Private Detectives and Guards, the nominations of GEORGE FREITAS, STEVE GOODENOW and GUY H. KAULUKUKUI, PH.D., terms to expire June 30, 2004, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 279, submitting for consideration and confirmation to the Board of Psychology, the nominations of LESTER K.M. LEU and ALLYSON M. TANOUYE, PH.D., terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 280, submitting for consideration and confirmation to the Real Estate Commission, the nominations of LOUIS E. ABRAMS, KATHLEEN KAGAWA, PH.D., IRIS R. OKAWA and VERN M. YAMANAKA, terms to expire June 30, 2006, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 281, submitting for consideration and confirmation to the Board of Regents, University of Hawai'i, the nominations of EVERETT R. DOWLING and MYRON A. YAMASATO, terms to expire June 30, 2006, was referred to the Committee on Education.

Gov. Msg. No. 282, submitting for consideration and confirmation to the Board of Speech Pathology and Audiology, the nominations of ANA A. GAMBLE, FAYE A.T. MATSUNAGA, MONA S. TAKUMI, LENHANH P. TRAN, M.D., and MARGARET K. WADA, terms to expire June 30, 2005, was referred to the Committee on Commerce, Consumer Protection and Housing.

Gov. Msg. No. 283, submitting for consideration and confirmation to the Board of Taxation Review, First Taxation District (Oahu), the nomination of RICHARD F. KAHLE, JR., term to expire June 30, 2006, was referred to the Committee on Ways and Means.

Gov. Msg. No. 284, submitting for consideration and confirmation to the Board of Taxation Review, Third Taxation District (Hawai'i), the nomination of BERT M. WAGATSUMA, term to expire June 30, 2006, was referred to the Committee on Ways and Means.

Gov. Msg. No. 285, submitting for consideration and confirmation to the Board of Taxation Review, Fourth Taxation District (Kauai), the nomination of SANDRA L. HOWATT, term to expire June 30, 2006, was referred to the Committee on Ways and Means.

Gov. Msg. No. 286, submitting for consideration and confirmation to the Commission on Transportation, the nominations of: KAZU HAYASHIDA, term to expire June 30, 2004; HAROLD K. KAGEURA, term to expire June 30, 2005; and WILLIAM H. CROZIER III, JAMES C. PACOPAC, KIRK T. TANAKA and NORMAN K. TSUJI, terms to expire June 30, 2006, was referred to the Committee on Transportation, Military Affairs, and Government Operations.

Gov. Msg. No. 287, submitting for consideration and confirmation to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, the nominations of: MARSHALL LUM, term to expire June 30, 2003; and CHARLES H. DAWRS and MYRON H. NOMURA, terms to expire June 30, 2006, was referred to the Committee on Health and Human Services.

Gov. Msg. No. 288, submitting for consideration and confirmation to the Western Interstate Commission for Higher Education (WICHE), the nomination of DORIS M. CHING, ED.D., term to expire June 30, 2006, was referred to the Committee on Education.

Gov. Msg. No. 289, dated April 3, 2002, transmitting the Department of Health's 2001 Annual Report, was placed on file.

Gov. Msg. No. 290, informing the Senate that on April 5, 2002, he signed the following bills into law:

House Bill No. 1726 as Act 4, entitled: "RELATING TO DRIVER'S LICENSE INSTRUCTION PERMIT";

House Bill No. 2117 as Act 5, entitled: "RELATING TO HAWAII PENAL CODE";

House Bill No. 2306 as Act 6, entitled: "RELATING TO JUDICIARY RECORDS";

House Bill No. 2308 as Act 7, entitled: "RELATING TO THE COURTS";

House Bill No. 2310 as Act 8, entitled: "RELATING TO VENUE";

House Bill No. 2317 as Act 9, entitled: "RELATING TO THE JURISDICTION OF THE COURTS";

House Bill No. 2318 as Act 10, entitled: "RELATING TO FORFEITURE OF BAIL OR BONDS";

House Bill No. 2437 as Act 11, entitled: "RELATING TO FOREIGN PROTECTIVE ORDERS"; and

House Bill No. 2493 as Act 12, entitled: "RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED."

was placed on file.

Gov. Msg. No. 291, informing the Senate that on April 8, 2002, he signed into law Senate Bill No. 2283 as Act 13, entitled: "RELATING TO EDUCATION," was placed on file.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 355 to 357) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 355, returning S.B. No. 2093, S.D. 1, which passed Third Reading in the House of Representatives on April 5, 2002, in an amended form, was placed on file.

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2093, S.D. 1, and requested a conference on the subject matter thereof.

Hse. Com. No. 356, returning S.B. No. 2468, S.D. 1, which passed Third Reading in the House of Representatives on April 5, 2002, in an amended form, was placed on file.

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2468, S.D. 1, and requested a conference on the subject matter thereof.

Hse. Com. No. 357, returning S.B. No. 2772, which passed Third Reading in the House of Representatives on April 5, 2002, in an amended form, was placed on file.

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2772, and requested a conference on the subject matter thereof.

STANDING COMMITTEE REPORTS

Senators Sakamoto and Matsuura, for the Committee on Education and the Committee on Health and Human Services, presented a joint report (Stand. Com. Rep. No. 3335), recommending that S.C.R. No. 3, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.C.R. No. 3, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE TANF REAUTHORIZATION ACT OF 2001 (HR 3113)," was referred to the Committee on Ways and Means.

Senators Sakamoto and Matsuura, for the Committee on Education and the Committee on Health and Human Services, presented a joint report (Stand. Com. Rep. No. 3336), recommending that S.C.R. No. 7, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.C.R. No. 7, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR THE TANF REAUTHORIZATION ACT OF 2001," was referred to the Committee on Ways and Means.

Senators Sakamoto and Matsuura, for the Committee on Education and the Committee on Health and Human Services, presented a joint report (Stand. Com. Rep. No. 3337),

recommending that S.R. No. 2, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.R. No. 2, S.D. 1, entitled: "SENATE RESOLUTION SUPPORTING THE TANF REAUTHORIZATION ACT OF 2001 (HR 3113)," was referred to the Committee on Ways and Means.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3338), recommending that S.C.R. No. 150, as amended in S.D. 1, be referred to the Committee on Judiciary.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.C.R. No. 150, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION DESIGNATING SEPTEMBER 23-27, 2002 AS 'KIDS VOTING HAWAII WEEK,'" was referred to the Committee on Judiciary.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3339), recommending that S.R. No. 89, as amended in S.D. 1, be referred to the Committee on Judiciary.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 89, S.D. 1, entitled: "SENATE RESOLUTION DESIGNATING SEPTEMBER 23-27, 2002 AS 'KIDS VOTING HAWAII WEEK,'" was referred to the Committee on Judiciary.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3340), recommending that S.C.R. No. 35, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.C.R. No. 35, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE COLLABORATIVE EFFORTS AND THE PARTNERING INITIATIVES OF THE VETERANS' ADMINISTRATION (VA) STATE HOME CONSTRUCTION OFFICE IN WASHINGTON, D.C., THE HAWAII HEALTH SYSTEMS CORPORATION (HHSCR), THE HAWAII VA MEDICAL AND REGIONAL OFFICE CENTER (VAMROC), AND THE HAWAII OFFICE OF VETERANS' SERVICES, TO ESTABLISH A STATE-OF-THE-ART VA STATE HOME FACILITY ON THE CAMPUS OF THE HILO MEDICAL CENTER WHICH WILL PROVIDE CRITICALLY NEEDED, HIGH QUALITY, ACCESSIBLE LONG-TERM CARE SERVICES TO VA BENEFICIARIES RESIDING IN EAST HAWAII COUNTY," was referred to the Committee on Ways and Means.

Senators Matsuura and Menor, for the Committee on Health and Human Services and the Committee on Commerce, Consumer Protection and Housing, presented a joint report (Stand. Com. Rep. No. 3341), recommending that S.C.R. No. 64, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.C.R. No. 64, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY OF STATE PROGRAMS INVOLVED WITH OR PROVIDING LONG-TERM CARE SERVICES FOR

HAWAII'S ELDERLY," was referred to the Committee on Ways and Means.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3342), recommending that S.R. No. 110 be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 110, entitled: "SENATE RESOLUTION ESTABLISHING AN INTERIM WORKING GROUP TO DISSEMINATE INFORMATION REGARDING PRESCRIPTION DRUG CARD DISCOUNT PROGRAMS OFFERED BY PHARMACEUTICAL COMPANIES," was referred to the Committee on Ways and Means.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3343), recommending that S.R. No. 68, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 68, S.D. 1, entitled: "SENATE RESOLUTION CONVENING AN INTERIM STUDY BY THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES TO EXPLORE WAYS TO MAXIMIZE FEDERAL FUNDING FOR HEALTH AND HUMAN SERVICES PROGRAMS," was referred to the Committee on Ways and Means.

Senators Tam and Inouye, for the Committee on Economic Development and Technology and the Committee on Water, Land, Energy, and Environment, presented a joint report (Stand. Com. Rep. No. 3344), recommending that S.C.R. No. 159, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.C.R. No. 159, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO STUDY THE FEASIBILITY OF ESTABLISHING A FRESHWATER FISHERY AT THE WAHIAWA RESERVOIR, OAHU," was referred to the Committee on Ways and Means.

Senators Tam and Inouye, for the Committee on Economic Development and Technology and the Committee on Water, Land, Energy, and Environment, presented a joint report (Stand. Com. Rep. No. 3345), recommending that S.R. No. 97, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and S.R. No. 97, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO STUDY THE FEASIBILITY OF ESTABLISHING A FRESHWATER FISHERY AT THE WAHIAWA RESERVOIR, OAHU," was referred to the Committee on Ways and Means.

Senator Menor, for the Committee on Commerce, Consumer Protection and Housing, presented a report (Stand. Com. Rep. No. 3346), recommending that S.R. No. 45, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was

adopted and S.R. No. 45, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR MENTAL DISORDERS," was referred to the Committee on Ways and Means.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3347) recommending that S.C.R. No. 37, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3347 and S.C.R. No. 37, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE STATE AUDITOR TO CONDUCT A STUDY TO DESIGNATE A SINGLE DEPARTMENT TO OVERSEE THE FUNDING AND REGULATION OF ADULT RESIDENTIAL CARE HOMES AND FOSTER HOMES," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3348) recommending that S.R. No. 17, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3348 and S.R. No. 17, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE STATE AUDITOR TO CONDUCT A STUDY TO DESIGNATE A SINGLE DEPARTMENT TO OVERSEE THE FUNDING AND REGULATION OF ADULT RESIDENTIAL CARE HOMES AND FOSTER HOMES," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3349) recommending that S.C.R. No. 116 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3349 and S.C.R. No. 116, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONVE NE A TASK FORCE TO EXAMINE WAYS TO CONTROL THE USE OF MOTORIZED SCOOTERS AND OTHER MOTORIZED DEVICES ON SIDEWALKS, HIGHWAYS, AND PUBLIC AREAS," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3350) recommending that S.R. No. 63 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3350 and S.R. No. 63, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONVE NE A TASK FORCE TO EXAMINE WAYS TO CONTROL THE USE OF MOTORIZED SCOOTERS AND OTHER MOTORIZED DEVICES ON SIDEWALKS, HIGHWAYS, AND PUBLIC AREAS," was deferred until Thursday, April 11, 2002.

Senators Kawamoto and Kim, for the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, presented a joint report of the majority of the Committees (Stand. Com. Rep. No. 3351) recommending that S.C.R. No. 152 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3351 and S.C.R. No. 152, entitled: "SENATE CONCURRENT

RESOLUTION REQUESTING CONGRESS TO ENACT ENABLING LEGISLATION TO PERMIT STATE REGULATION OF INTERISLAND AIR CARRIERS BY AN AIR CARRIER COMMISSION PURSUANT TO ACT 332, SESSION LAWS OF HAWAII 1993," was deferred until Thursday, April 11, 2002.

Senators Kawamoto and Kim, for the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Tourism and Intergovernmental Affairs, presented a joint report of the majority of the Committees (Stand. Com. Rep. No. 3352) recommending that S.R. No. 91 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3352 and S.R. No. 91, entitled: "SENATE RESOLUTION REQUESTING CONGRESS TO ENACT ENABLING LEGISLATION TO PERMIT STATE REGULATION OF INTERISLAND AIR CARRIERS BY AN AIR CARRIER COMMISSION PURSUANT TO ACT 332, SESSION LAWS OF HAWAII 1993," was deferred until Thursday, April 11, 2002.

Senators Kawamoto and Inouye, for the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, presented a joint report (Stand. Com. Rep. No. 3353) recommending that S.C.R. No. 158 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3353 and S.C.R. No. 158, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO FACILITATE SECURING SPACE FOR THE COMMERCIAL HAUL OUT OF BOATS FOR SAFETY, COMPLIANCE INSPECTIONS, AND ECONOMIC DEVELOPMENT," was deferred until Thursday, April 11, 2002.

Senators Kawamoto and Inouye, for the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Water, Land, Energy, and Environment, presented a joint report (Stand. Com. Rep. No. 3354) recommending that S.R. No. 95 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3354 and S.R. No. 95, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO FACILITATE SECURING SPACE FOR THE COMMERCIAL HAUL OUT OF BOATS FOR SAFETY, COMPLIANCE INSPECTIONS, AND ECONOMIC DEVELOPMENT," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3355) recommending that S.C.R. No. 174, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3355 and S.C.R. No. 174, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY REGARDING THE INABILITY OF INSULIN USERS TO OBTAIN A COMMERCIAL DRIVER'S LICENSE," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3356) recommending that S.R. No. 109, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3356 and S.R. No. 109, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY REGARDING THE INABILITY OF INSULIN USERS TO OBTAIN A COMMERCIAL DRIVER'S LICENSE," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3357) recommending that S.C.R. No. 106 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3357 and S.C.R. No. 106, entitled: "SENATE CONCURRENT RESOLUTION URGING THE PEOPLE OF HAWAII TO RECOGNIZE U.S. MILITARY PERSONNEL AND THEIR FAMILIES AS HAWAII RESIDENTS," was deferred until Thursday, April 11, 2002.

Senator Kawamoto, for the Committee on Transportation, Military Affairs, and Government Operations, presented a report (Stand. Com. Rep. No. 3358) recommending that S.R. No. 74 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3358 and S.R. No. 74, entitled: "SENATE RESOLUTION REQUESTING THAT NEW STATE AND COUNTY BUILDINGS BE NAMED IN HONOR OF HAWAII RESIDENTS WHO HAVE BEEN AWARDED THE CONGRESSIONAL MEDAL OF HONOR FOR ACTS OF HEROISM DURING WORLD WAR II, THE KOREAN WAR, AND THE VIETNAM WAR," was deferred until Thursday, April 11, 2002.

Senator Kim, for the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3359) recommending that S.C.R. No. 30, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3359 and S.C.R. No. 30, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO PLACE A HIGHER PRIORITY ON MEETINGS, CONVENTIONS, AND INCENTIVES MARKETING AS A BENEFIT TO THE LARGER ECONOMY," was deferred until Thursday, April 11, 2002.

Senator Kim, for the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3360) recommending that S.R. No. 11, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3360 and S.R. No. 11, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY PLACE A HIGHER PRIORITY ON MEETINGS, CONVENTIONS, AND INCENTIVES MARKETING AS A BENEFIT TO THE LARGER ECONOMY," was deferred until Thursday, April 11, 2002.

Senator Kim, for the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3361) recommending that S.C.R. No. 161, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3361 and S.C.R. No. 161, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A SISTER-

STATE RELATIONSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE MUNICIPALITY OF TIANJIN IN THE PEOPLE'S REPUBLIC OF CHINA," was deferred until Thursday, April 11, 2002.

Senator Kim, for the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3362) recommending that S.R. No. 99, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3362 and S.R. No. 99, S.D. 1, entitled: "SENATE RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A SISTER-STATE RELATIONSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE MUNICIPALITY OF TIANJIN IN THE PEOPLE'S REPUBLIC OF CHINA," was deferred until Thursday, April 11, 2002.

Senator Chun, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 3363) recommending that S.C.R. No. 101, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3363 and S.C.R. No. 101, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE USE OF ALTERNATIVE ENERGY SOURCES TO ADDRESS ENERGY NEEDS ON THE ISLAND OF KAHO'OLAWA," was deferred until Thursday, April 11, 2002.

Senator Chun, for the Committee on Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 3364) recommending that S.R. No. 54, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3364 and S.R. No. 54, S.D. 1, entitled: "SENATE RESOLUTION URGING THE USE OF ALTERNATIVE ENERGY SOURCES TO ADDRESS ENERGY NEEDS ON THE ISLAND OF KAHO'OLAWA," was deferred until Thursday, April 11, 2002.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3365) recommending that S.R. No. 50 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3365 and S.R. No. 50, entitled: "SENATE RESOLUTION REQUESTING A REVIEW OF STATE YOUTH SERVICES AND A STUDY ON CONSOLIDATING YOUTH SERVICES," was deferred until Thursday, April 11, 2002.

Senators Tam and Kim, for the Committee on Economic Development and Technology and the Committee on Tourism and Intergovernmental Affairs, presented a joint report (Stand. Com. Rep. No. 3366) recommending that S.R. No. 51, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3366 and S.R. No. 51, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE ADOPTION OF THE ECONOMIC PLANS OF EACH COUNTY TO STABILIZE AND STIMULATE THE STATE'S ECONOMY," was deferred until Thursday, April 11, 2002.

Senator Menor, for the Committee on Commerce, Consumer Protection and Housing, presented a report (Stand. Com. Rep. No. 3367) recommending that S.C.R. No. 17, S.D. 1, as amended in S.D. 2, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3367 and S.C.R. No. 17, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR MENTAL DISORDERS," was deferred until Thursday, April 11, 2002.

Senator Kanno, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 3368) recommending that S.C.R. No. 9 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3368 and S.C.R. No. 9, entitled: "SENATE CONCURRENT RESOLUTION EXTENDING THE REPORTING DATE OF THE TASK FORCE TO IMPROVE THE EFFICIENCY OF LAW ENFORCEMENT AND PUBLIC SAFETY AGENCIES," was deferred until Thursday, April 11, 2002.

Senator Tam, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 3369) recommending that the Senate advise and consent to the nominations of MARNI HERKES, RICHARD HENDERSON and THOMAS P. WHITEMORE to the Board of Directors, Natural Energy Laboratory of Hawai'i Authority, in accordance with Gov. Msg. No. 187.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3369 and Gov. Msg. No. 187 was deferred until Thursday, April 11, 2002.

Senator Tam, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 3370) recommending that the Senate advise and consent to the nominations of HOWARD Y. IKEDA, GILBERT M. KIMURA and ALVIN S. NARIMATSU to the Stadium Authority, in accordance with Gov. Msg. No. 188.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3370 and Gov. Msg. No. 188 was deferred until Thursday, April 11, 2002.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3371), recommending that S.R. No. 67 be referred to the Committee on Ways and Means.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 67, entitled: "SENATE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII AT MANOA HAMILTON LIBRARY PRESERVATION DEPARTMENT, IN COOPERATION WITH THE LEGACY FOUNDATION OF THE PACIFIC AND OTHER PUBLIC AND PRIVATE ENTITIES, TO ESTABLISH A HAWAII MEDIA PRESERVATION AND TECHNOLOGY ARCHIVING APPLICATIONS PILOT PROJECT," was referred to the Committee on Ways and Means.

ORDER OF THE DAY

REFERRAL OF HOUSE CONCURRENT RESOLUTIONS

MATTERS DEFERRED FROM FRIDAY, APRIL 5, 2002

The President made the following committee assignments of concurrent resolutions that were offered on Wednesday, April 3, 2002; Thursday, April 4, 2002; and Friday, April 5, 2002:

House
 Concurrent
 Resolution Referred to:

No. 29, H.D. 2 Committee on Labor, then to the
 Committee on Commerce, Consumer Protection and Housing

No. 30 Jointly to the Committee on Water, Land,
 Energy, and Environment and the Committee on Hawaiian
 Affairs

No. 53, H.D. 1 Committee on Health and Human
 Services, then to the Committee on Commerce, Consumer
 Protection and Housing

No. 55 Jointly to the Committee on Hawaiian
 Affairs and the Committee on Water, Land, Energy, and
 Environment

No. 66, H.D. 1 Jointly to the Committee on Water, Land,
 Energy, and Environment and the Committee on Economic
 Development and Technology

No. 83 Jointly to the Committee on Water, Land,
 Energy, and Environment, the Committee on Transportation,
 Military Affairs, and Government Operations and the
 Committee on Economic Development and Technology

No. 87 Committee on Economic Development
 and Technology

No. 98, H.D. 1 Jointly to the Committee on Education
 and the Committee on Hawaiian Affairs

No. 102 Jointly to the Committee on Water, Land,
 Energy, and Environment and the Committee on Tourism and
 Intergovernmental Affairs

No. 103, H.D. 1 Committee on Water, Land, Energy, and
 Environment, then to the Committee on Ways and Means

No. 123 Jointly to the Committee on Health and
 Human Services and the Committee on Tourism and
 Intergovernmental Affairs

No. 147 Committee on Tourism and
 Intergovernmental Affairs, then to the Committee on Judiciary

No. 163 Jointly to the Committee on
 Transportation, Military Affairs, and Government Operations
 and the Committee on Water, Land, Energy, and Environment

No. 190 Committee on Health and Human
 Services

No. 200, H.D. 1 Committee on Economic Development
 and Technology, then to the Committee on Ways and Means

THIRD READING

**MATTERS DEFERRED FROM
 FRIDAY, APRIL 5, 2002**

Stand. Com. Rep. No. 3115 (H.B. No. 1842, H.D. 1, S.D. 2):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3115 was adopted and H.B. No. 1842, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF PHARMACY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3116 (H.B. No. 2056, H.D. 2, S.D. 2):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3116 was adopted and H.B. No. 2056, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL WORK," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3117 (H.B. No. 2169, H.D. 2, S.D. 1):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3117 was adopted and H.B. No. 2169, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COFFEE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3118 (H.B. No. 2467):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3118 was adopted and H.B. No. 2467, entitled: "A BILL FOR AN ACT RELATING TO NATUROPATHY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3119 (H.B. No. 1941):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3119 was adopted and H.B. No. 1941, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3120 (H.B. No. 2514):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3120 was adopted and H.B. No. 2514, entitled: "A BILL FOR AN ACT RELATING TO TATTOO ARTISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1713, H.D. 1, S.D. 1:

On motion by Senator Menor, seconded by Senator Matsunaga and carried, H.B. No. 1713, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 2817, H.D. 1, S.D. 1:

On motion by Senator Kanno, seconded by Senator Chun and carried, H.B. No. 2817, H.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3129 (H.B. No. 1864, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3129 was adopted and H.B. No. 1864, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VISITATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3130 (H.B. No. 2266, H.D. 2):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3130 was adopted and H.B. No. 2266, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ACCRETED LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3131 (H.B. No. 2426, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3131 was adopted and H.B. No. 2426, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMES AGAINST CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3132 (H.B. No. 2433, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3132 was adopted and H.B. No. 2433, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3133 (H.B. No. 2496, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3133 was adopted and H.B. No. 2496, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3134 (H.B. No. 2507, H.D. 3):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3134 was adopted and H.B. No. 2507, H.D. 3, entitled: "A BILL FOR AN ACT RELATING TO REGISTRATION OF DIVORCES AND ANNULMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3135 (H.B. No. 2537, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3135 was adopted and H.B. No. 2537, S.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3136 (H.B. No. 2550, H.D. 2):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3136 was adopted and H.B. No. 2550, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO APPURTENANT RIGHTS UNDER THE WATER CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3137 (H.B. No. 2832, H.D. 1, S.D. 2):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3137 was adopted and H.B. No. 2832, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

THIRD READING

Stand. Com. Rep. No. 3153 (H.B. No. 1727, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3153 was adopted and H.B. No. 1727, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER'S LICENSE INSTRUCTION PERMIT RENEWAL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3154 (H.B. No. 1746, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3154 was adopted and H.B. No. 1746, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNATTENDED VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3157 (H.B. No. 2304, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3157 was adopted and H.B. No. 2304, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO JUROR PRIVACY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3158 (H.B. No. 2582, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3158 was adopted and H.B. No. 2582, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3159 (H.B. No. 1749, H.D. 2, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3159 was adopted and H.B. No. 1749, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL CARE HOMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3160 (H.B. No. 1804):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3160 was adopted and H.B. No. 1804, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXPUNGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3161 (H.B. No. 2428, H.D. 1, S.D. 2):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3161 was adopted and H.B. No. 2428, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGE VERIFICATION OF SEXUAL PERFORMERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3162 (H.B. No. 2560, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3162 was adopted and H.B. No. 2560, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SEXUAL OFFENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3163 (H.B. No. 1778, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3163 was adopted and H.B. No. 1778, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICES LOAN COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3164 (H.B. No. 2443, H.D. 2, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3164 was adopted and H.B. No. 2443, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PREVENTION OF THE FILING OF

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

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

Stand. Com. Rep. No. 3165 (H.B. No. 2473, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3165 was adopted and H.B. No. 2473, H.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3166 (H.B. No. 2655, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3166 was adopted and H.B. No. 2655, H.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3167 (H.B. No. 1806):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3167 was adopted and H.B. No. 1806, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PROPERTY RIGHTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3168 (H.B. No. 1825, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3168 was adopted and H.B. No. 1825, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE REVISED UNIFORM COMMERCIAL CODE ARTICLE 9 – SECURED TRANSACTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3169 (H.B. No. 2282):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3169 was adopted and H.B. No. 2282, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGREEMENTS TO ARBITRATE MADE BEFORE JULY 1, 2002," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3170 (H.B. No. 2536, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3170 was adopted and H.B. No. 2536, S.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 17 OF ACT 85, SESSION LAWS OF HAWAII 1999," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1999, S.D. 1:

On motion by Senator Kanno, seconded by Senator Chun and carried, H.B. No. 1999, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 2552, H.D. 1, S.D. 1:

On motion by Senator Inouye, seconded by Senator Kanno and carried, H.B. No. 2552, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF LANDOWNER FOR SAFE HARBOR AGREEMENTS AND HABITAT CONSERVATION PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 2568, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 2568, H.D. 1, S.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3175 (H.B. No. 1751, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3175 was adopted and H.B. No. 1751, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR THE SEX OFFENDER TREATMENT PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3177 (H.B. No. 2072, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3177 was adopted and H.B. No. 2072, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL WELFARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3183 (H.B. No. 1878, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3183 was adopted and H.B. No. 1878, H.D. 2, 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 (Matsuura).

Stand. Com. Rep. No. 3184 (H.B. No. 1942, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3184 was adopted and H.B. No. 1942, S.D. 1, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO CELEBRATE THE ONE-HUNDREDTH ANNIVERSARY OF THE ARRIVAL OF FILIPINOS TO HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3189 (H.B. No. 2353, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3189 was adopted and H.B. No. 2353, H.D. 2, 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 (Matsuura).

Stand. Com. Rep. No. 3190 (H.B. No. 2480, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3190 was adopted and H.B. No. 2480, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUS FARES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3192 (H.B. No. 2276, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3192 was adopted and H.B. No. 2276, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3193 (H.B. No. 2500, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3193 was adopted and H.B. No. 2500, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REFERENCES AFFECTED BY ACT 253, SESSION LAWS OF HAWAII 2000," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3196 (H.B. No. 2249, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3196 was adopted and H.B. No. 2249, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NORTH KOHALA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3198 (H.B. No. 1939, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3198 was adopted

and H.B. No. 1939, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL WATER DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3199 (H.B. No. 1976, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3199 was adopted and H.B. No. 1976, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3201 (H.B. No. 2172, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3201 was adopted and H.B. No. 2172, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3203 (H.B. No. 2455, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3203 was adopted and H.B. No. 2455, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL SITE CLEANUP," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3204 (H.B. No. 2553, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3204 was adopted and H.B. No. 2553, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUREAU OF CONVEYANCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3205 (H.B. No. 2132, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3205 was adopted and H.B. No. 2132, H.D. 1, S.D. 2, 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 (Matsuura).

Stand. Com. Rep. No. 3206 (H.B. No. 2311, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3206 was adopted and H.B. No. 2311, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO JUDGES FOR THE CIRCUIT COURT,"

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

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

Stand. Com. Rep. No. 3207 (H.B. No. 2563, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3207 was adopted and H.B. No. 2563, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMPENSATION OF CRIME VICTIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3208 (H.B. No. 1724, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3208 was adopted and H.B. No. 1724, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL NUMBER PLATES FOR MILITARY SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3211 (H.B. No. 2527, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3211 was adopted and H.B. No. 2527, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAFETY INSPECTION FREQUENCIES FOR REGULATED EQUIPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3212 (H.B. No. 2577, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3212 was adopted and H.B. No. 2577, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENT OF PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3213 (H.B. No. 2192, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3213 was adopted and H.B. No. 2192, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3216 (H.B. No. 2453, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3216 was adopted and H.B. No. 2453, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CAPITAL LOAN PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3217 (H.B. No. 2454, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3217 was adopted and H.B. No. 2454, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3227 (H.B. No. 2199, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3227 was adopted and H.B. No. 2199, H.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 (Matsuura).

Stand. Com. Rep. No. 3228 (H.B. No. 2432):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3228 was adopted and H.B. No. 2432, entitled: "A BILL FOR AN ACT RELATING TO DIRECT PAYMENT OF CHILD SUPPORT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3229 (H.B. No. 2509, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3229 was adopted and H.B. No. 2509, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PARKING FOR PERSONS WITH DISABILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3231 (H.B. No. 2580):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3231 was adopted and H.B. No. 2580, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3232 (H.B. No. 2018, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3232 was adopted and H.B. No. 2018, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LEASES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3234 (H.B. No. 2485, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3234 was adopted and H.B. No. 2485, S.D. 2, entitled: "A BILL FOR AN ACT

RELATING TO CENTRAL SERVICE EXPENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3236 (H.B. No. 2854, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3236 was adopted and H.B. No. 2854, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ACCOUNTANCY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3240 (H.B. No. 2558, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3240 was adopted and H.B. No. 2558, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STUDENT LOANS FOR TEACHERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3246 (H.B. No. 2571, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3246 was adopted and H.B. No. 2571, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION OF PERSONS WITH IMPAIRED SIGHT OR HEARING OR WHO ARE TOTALLY DISABLED THAT ARE ENGAGED IN BUSINESS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3247 (H.B. No. 2382, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3247 was adopted and H.B. No. 2382, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3249 (H.B. No. 2526, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3249 was adopted and H.B. No. 2526, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3250 (H.B. No. 536, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3250 was adopted and H.B. No. 536, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3251 (H.B. No. 2045, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3251 was adopted and H.B. No. 2045, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REVENUE BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3252 (H.B. No. 2195, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3252 was adopted and H.B. No. 2195, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII TOURISM AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3255 (H.B. No. 2549, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3255 was adopted and H.B. No. 2549, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXTENSION OF PUBLIC LAND LEASES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1821, H.D. 2, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 1821, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE AUDITOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1996, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 1996, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ADMINISTRATION OF TAXES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3265 (H.B. No. 1725, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3265 was adopted and H.B. No. 1725, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSE RENEWAL BY MAIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3266 (H.B. No. 2302, H.D. 2, S.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3266 was adopted and H.B. No. 2302, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVERS' LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3268 (H.B. No. 2298, H.D. 1):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3268 was adopted and H.B. No. 2298, H.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, 24. Noes, none. Excused, 1 (Matsuura).

H.B. No. 1758, H.D. 1, S.D. 1:

On motion by Senator Kanno, seconded by Senator Chun and carried, H.B. No. 1758, H.D. 1, 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 (Matsuura).

Stand. Com. Rep. No. 3276 (H.B. No. 2301, H.D. 2, S.D. 2):

On motion by Senator Kanno, seconded by Senator Chun and carried, Stand. Com. Rep. No. 3276 was adopted and H.B. No. 2301, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE USE OF INTOXICANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3278 (H.B. No. 870, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3278 was adopted and H.B. No. 870, 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, none. Excused, 1 (Matsuura).

H.B. No. 2569, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 2569, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONFORMITY OF THE STATE TAX LAWS TO THE UNITED STATES CONSTITUTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3295 (H.B. No. 2212, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3295 was adopted and H.B. No. 2212, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ALIEN INVASIVE SPECIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3299 (H.B. No. 2618, H.D. 1, S.D. 2):

On motion by Senator Menor, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3299 was adopted and H.B. No. 2618, H.D. 1, 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 (Matsuura).

H.B. No. 1700, H.D. 1, S.D. 1:

On motion by Senator Menor, seconded by Senator Matsunaga and carried, H.B. No. 1700, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE POLICIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 2570, H.D. 1, S.D. 1:

On motion by Senator Menor, seconded by Senator Matsunaga and carried, H.B. No. 2570, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CAPITAL GOODS EXCISE TAX CREDIT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3307 (H.B. No. 2576, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3307 was adopted and H.B. No. 2576, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY TAX INCENTIVES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 10:27 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:37 o'clock a.m.

THIRD READING

Stand. Com. Rep. No. 3197 (H.B. No. 2400, H.D. 1, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 3197 and H.B. No. 2400, H.D. 1, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 3286 (H.B. No. 2638, H.D. 2, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 3286 and H.B. No. 2638, H.D. 2, S.D. 1, was deferred to the end of the calendar.

Senator Hemmings rose on a point of order and said:

"Mr. President, point of order. What is the purpose of moving H.B. No. 2400, S.D. 1, to the end of the calendar?"

The Chair responded:

"It has been requested by the Majority to place it at the end of the calendar so they can at least discuss it at a later time."

Stand. Com. Rep. No. 3152 (H.B. No. 2030, H.D. 1, S.D. 2):

Senator Menor, moved that Stand. Com. Rep. No. 3152 be adopted and H.B. No. 2030, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Hogue rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in support of this measure with some reservations.

"I just wanted to point out that this particular bill is kind of . . . we'll get things off to a relatively humorous start here I guess, because this is an example of how commerce sometimes can be at odds with consumer protection. As you know, the name of our committee is the Commerce, Consumer Protection and Housing Committee and this is a perfect example of how those things can fight each other.

"The towing companies first came forward because they wanted to get some extra fees. This has not happened. The Committee was well aware that towing fees had been raised in the past several years and so they alertly got that portion out of this particular bill. But in so doing, the consumer protection portion came forward in this particular bill and what ended up happening is that now towing companies will have to end up going through a bunch of hoops. They'll have to have fax machines and communications with people that they have towed. They'll have to have bankcard machines and all sorts of different things. I'm not really certain that this is in the best interest of commerce.

"So I just bring this up that we may need to change some of the regulations that we have added here so that we also help commerce while we are going about helping consumer protection.

"Thank you very much, Mr. President."

Senators Slom and Hemmings requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3152 was adopted and H.B. No. 2030, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TOWING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3155 (H.B. No. 2006, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Stand. Com. Rep. No. 3155 was adopted and H.B. No. 2006, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL WASTES RECYCLING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3156 (H.B. No. 2158, H.D. 2):

Senator Kanno moved that Stand. Com. Rep. No. 3156 be adopted and H.B. No. 2158, H.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Chumbley rose in opposition to the measure and said:

“Mr. President, I rise to speak in opposition to this measure.

“Colleagues, I don’t believe that this is the right thing to do. Why would we want to exempt law enforcement officers from taking the CDL license test? It just doesn’t make sense, even in the spirit of trying to give them some flexibility. In fact, it could be violative of federal laws that govern law enforcement personnel.

“Keep in mind that firefighters, ambulance drivers, and other emergency personnel are obligated to take the CDL test, so why should law enforcement personnel be exempt? Therefore, I think it’s a bad policy.

“Thank you.”

Senator Kawamoto rose in support of the measure and said:

“Mr. President, I rise to speak for the bill.

“Mr. President, this is an addition to the exemptions. Right now, the law already allows the exemption of CDL requirements for firefighters and active duty military. All we’re doing is adding the police.

“I urge my colleagues to vote ‘aye’ on this bill.”

Senator English rose to speak against the measure as follows:

“Mr. President, I rise in opposition to the measure.

“Mr. President, sometimes we like to do the right thing. We try to do the right thing, but this one is simply going a little bit too far. If we exempt police officers from taking the CDL license, it reduces their qualifications. Now, police officers are exempt from many, many of the traffic laws and are allowed to do all sorts of things.

“I’d like them to be trained. I think that should be part of their training. They should have this license. We require it of everyone else. I think it’s bad policy and I urge my colleagues to vote against this measure.

“Thank you, Mr. President.”

Senators Chun and Hogue requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3156 was adopted and H.B. No. 2158, H.D. 2, 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, 22. Noes, 3 (Chumbley, English, Hemmings).

Stand. Com. Rep. No. 3209 (H.B. No. 1730, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3209 be adopted and H.B. No. 1730, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in opposition and said:

“Mr. President, I rise to speak in opposition to this measure.

“The purpose of this bill, folks, is to raise the driver’s education underwriter’s fee 50 percent. It raises it from \$2 to \$3 on each insured motor vehicle. And while this bill certainly is well intentioned, it’s obvious to everyone that the current legislation, the current situation, mandated a few years ago isn’t working: (1) there aren’t enough driver’s ed spaces available for all the kids that want to take driver’s ed currently; (2) if you don’t win a lottery spot in one of these classes, private driver’s ed is very expensive. I know it cost me \$425 for my daughter; (3) it’s unfair to the neighbor islands because they don’t have enough private driver’s ed programs, thus many of their young drivers get left out and have to wait; and (4) you can bet if it’s increased now, I guarantee this fee will continue to go up and up and up in future years.

“For these reasons, I encourage my colleagues to vote ‘no.’ Thank you.”

Senator Kawamoto rose in support and said:

“Mr. President, I rise to speak in favor of this bill.

“Mr. President, the underwriters, what we’re requesting them to do is pay from \$2 to \$3 for this program. Right now we have a dollar going to the judiciary system and \$2 to the Department of Education fund for the driver’s education program.

“We heard the former speaker talk about the concerns about spaces in the education program. Right now, we have \$700,000 going into the education program for this driver’s ed class. With these additional dollars, it will give them \$1.4 million for the education program. It would double the driver’s ed program in the schools and create less of a backlog.

“So, we’re trying to address the concerns about the lack of schools and lack of funding in this measure. I think, with the driver’s ed program that we have, we’re going to have less accidents, and the insurance companies are going to pay less in the long run. So this is worth a dollar.

“Thank you.”

Senator English rose in opposition to the measure and said:

“Mr. President, I rise in opposition to the measure.

“Taking off from where the previous speaker left off, Mr. President, one of the things that I object to strongly in this bill is that it’s passed on to the consumer. When we had hearings on this bill, the insurers said that this would help them to reduce the accidents, reduce the risk pool. So I said, if this is so, then we should have a restriction in there saying that you cannot pass this cost on to the consumers. You know it will just be tacked on to everyone’s auto insurance policies. They were not too pleased with that suggestion. In fact, it’s not in the bill. So, from a consumer protection standpoint, we’re simply increasing the cost of auto insurance by doing this.

“Now, I object also, Mr. President, to the premise behind the bill – which is that this body mandated a few years ago that all underage drivers under 18 have to go to school for driving, which is good, but we didn’t set up the infrastructure for it. We didn’t create the teachers. We didn’t create the funding mechanisms. We didn’t create all of the things that go with that. And you know who suffers the most, Mr. President, members? The students on the neighbor islands. At least on Oahu you have the economies of scale. You have the amount

of people to have private teachers. You have schools with some teachers but hardly enough here.

“Mr. President, on my island, in Maui we have such a huge backlog and we don’t have private driver’s ed teachers as well. Why? Because the Department of Education and Department of Transportation, I’m not sure which one, has not proceeded with licensing these people and allowing them to teach, the private teachers. So, this is compounding a situation.

“I urge my colleagues to vote against this measure. It raises the cost of insurance in Hawaii. It goes to a program that is good on its purpose and intent, but, to my understanding of it, hasn’t worked as was drafted. So I urge my colleagues to vote ‘no.’ Thank you.”

Senator Chun rose to speak in opposition and said:

“Mr. President, I stand in reluctant opposition to this bill. Mr. President, I do not take lightly when I vote against the Honorable Majority Leader sitting next to me.

“I do agree, Mr. President, that there is a need to expand our driver’s education program. I disagree, however, that this is the method in which it should be done.

“As we all know, when the driver’s education program was mandated by the Legislature, we all knew that there was not going to be sufficient driver’s ed programs in the public schools in order to accommodate every single student wishing to get a license. With that in mind, we set up a procedure in which private driving instructors would be licensed and allowed to provide these classes and these instructions.

“The last time this bill came through, I made an inquiry to the Department of Transportation asking how many pending applications they had in front of them for private driver’s ed instructors. I was surprised that there was a substantial backlog of private driver’s license instructors out there. However, I’m not about to blame the DOT for that because when I further inquired, one of the things that I found out was the reason for this backlog and why we don’t have a sufficient number of private instructors is that we have imposed upon those private instructors some severe insurance requirements and other kinds of bonding requirements that put a damper on their ability to actually provide those instructions.

“Mr. President, the idea really is not to have government keep on paying through these special funds to have the services provided within the schools. The proponents of this bill admit that even with this amount, we will still not be able to provide the necessary instructors to provide for the classes for all the students. We need to take a little bit broader idea of how to take care of this problem by making it easier for the private instructors to get that permit to teach the classes.

“Until we can look at that type of alternative, in combination with, maybe if we have to, raising the fees, I cannot support that idea because we did not commit to keep on growing the number of instructors in the public sectors. We can’t do that. There are not enough fees to do that right now and there will not be enough fees to do that in the future. We need to re-look at the kind of requirements we are imposing upon the private instructors in order for them to get their license.

“So Mr. President, reluctantly, I must and will continue to vote ‘no’ on this bill until we look at the overall problem of the licensing of private instructors. Thank you.”

Senator Hemmings rose to speak against the measure and said:

“Mr. President, I rise to speak against H.B. No. 1730, H.D. 1, S.D. 1.

“It’s very illuminating that two Majority Party members, the good Senator from the wonderful Island of Maui and also the good Senator from the separate kingdom of Kauai, stood up and very intelligently pointed out what’s wrong with the system. And it seems to be something that’s pervasive. But what’s missing is accountability.

“What the two Senators pointed out to this body in voting ‘no’ against this bill is that there are not enough licensed instructors in the private sector. They went on very succinctly and identified the reasons why. One Senator did not want to use the word blame . . . well, let’s use the word credit. We’ll give the DOT the credit for not processing the applications in a timely enough manner. We’ll also give the DOT and ‘the system,’ which we created I might remind everyone, too many mandates and requirements that basically discourages private sector people entering into the marketplace and further exacerbates the inability of the DOT to process the licenses even though there’s a backlog of applicants.

“So what is the problem? The problem is something that we should be addressing and curing, not saying we need to, at some later date, do something. Doing something now by raising the fees on everybody is wrong and eventually it will go to \$5 and that’s as sure as I’m standing here, it can be guaranteed. Rather than pass this bill, why don’t we amend it and do something about the ability of the state, or the lack of the ability of the state, to issue private sector instructors their licenses in a timely and cost-effective way?

“For this reason, Mr. President, and others, I’ll be voting ‘no.’ Thank you.”

Senators Kim and Fukunaga requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3209 was adopted and H.B. No. 1730, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DRIVERS EDUCATION FUND UNDERWRITERS FEE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 8 (Chumbley, Chun, English, Hemmings, Hogue, Ige, Matsunaga, Slom).

Stand. Com. Rep. No. 3210 (H.B. No. 1731, H.D. 2, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3210 be adopted and H.B. No. 1731, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure and said:

“Mr. President, I rise in opposition to the bill.

“Mr. President, I will be rising throughout the day on the creation of any new special funds within the State, my belief being that first of all the special funds are not so special. We have created them over the years, hundreds of them, and then when they get large enough after we grow them and put a lot of fertilizer on them then we simply raid them as we’re going to do later on today.

“So with that in mind, this is a bill that first of all the funds went to and were administered by the University of Hawaii and

the community college system. Now we would transfer it, create a new motorcycle operator's education special fund and transfer it to the Department of Transportation to their credit as the Senator from Kailua just mentioned.

"So for these and other reasons, Mr. President, I'll be voting 'no' on this bill. Thank you."

Senator Kawamoto rose in support of the measure and said:

"Mr. President, I'm speaking for the bill.

"Mr. President, before this bill, the Department of Education or the community colleges had this school. It was one school, one program. All the motorcycle riders had to go through this program to get their certification to get a lower cost on their insurance premiums. The military had to go through this course, although they had better courses in the military, safer courses, but they had to go to this one course at Leeward Community College, and one person and one system.

"This is not about special funds, this is transferring the system to DOT, which is building the program to allow for other courses to be certified as courses to be had, including the military. We had the CINC, Admiral Blair, write a letter. We had General Smith write a letter saying that they would take the liability of their courses. This idea is being provided in this bill. It's not a one monopoly type activity that goes on. This is allowing the DOT to handle the program and certify courses that can prove that they have the right kind of programs for the military safety course.

"Thank you."

Senator English rose in opposition and said:

"Mr. President, I rise in opposition.

"Mr. President, this is the same driver's education underwriter's fee we talked about previously that we just raised the amount that we're going to charge for it. Mr. President, I don't know who the better managers are – the University of Hawaii or the Department of Transportation. My guess would be maybe the University of Hawaii. If you want to talk about a monopolistic system, if you want to talk about a system that's top down, if you want to talk about a system that doesn't listen, that loves public input, let's go with the Department of Transportation. At least with the University system you have diversity.

"I cannot support moving this, Mr. President, mainly because I don't see how the Department of Transportation will make it any better.

"Now, what the good Senator from Waipahu talked about earlier can be done with the University of Hawaii. I'm so glad that the military is cooperative. They can cooperate with the university system to make this work, so I cannot support this, Mr. President.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3210 was adopted and H.B. No. 1731, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVERS EDUCATION FUND UNDERWRITERS FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (English, Hogue, Slom).

Stand. Com. Rep. No. 3222 (H.B. No. 1723):

On motion by Senator Menor, seconded by Senator Kanno and carried, Stand. Com. Rep. No. 3222 was adopted and H.B. No. 1723, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3230 (H.B. No. 2565, H.D. 2, S.D. 1):

Senator Kanno moved that Stand. Com. Rep. No. 3230 be adopted and H.B. No. 2565, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Chumbley rose in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Colleagues, we had this measure pass before us in a previous form as a Senate bill. I raised concerns then that don't seem to be taken care of in this proposed S.D. 1. The H.D. 2 of this measure at least dealt with licensed people who had reasonable amounts of fireworks and those using explosive materials for sporting and recreational reasons to be exempt from some of the requirements of this measure.

"For those of you who may have received letters, recently the Department of Labor issued a letter telling the certificate of fitness holders for various construction companies that it would not be renewing its certificates based on a labor shortage and that they didn't have the manpower to be able to process these certificates. Well, that problem got rectified and that's the same department that would then be overseeing this statute if it's enacted.

"What I find to be particularly offensive in this measure is on page 1, section 2, of the bill. It establishes an amendment to 353C to create a list of explosive materials. It says: 'Notwithstanding any law to the contrary, the director may approve a list defining items as explosive materials without regard to the requirements of chapter 91.' You then go to the back of the bill, section 3, lines 10 and 11, and under the definition section you find a sentence that says, 'or any item defined as an explosive material on a list approved by the director.' Well, we've just made this director of the Department of Labor the explosive boom-boom king for the State of Hawaii. They can put anything they want on this list. They can put firecrackers on the list. They can put regulated items that are already used by licensed contractors for quarry operations or construction purposes on the list.

"This measure just simply goes too far without allowing the opportunity of the public to be notified of what government is doing to them. For those reasons, I urge you to vote 'no.'"

Senator Kawamoto rose to speak in favor of the measure as follows:

"Mr. President, I rise to speak in favor of this bill.

"Mr. President, you know and I know that whenever the concern is accountability of explosives, it's a statewide issue. This bill provides for accountability of explosives, and that's what it is. It provides reporting requirements for explosives – accountability and whereabouts of explosives that they did not use.

“What the House did very conveniently was added fireworks. That’s another thing we cannot account for. We caught these people with major explosives. Our court system . . . and that’s the reason why I’m asking the court system when these people come up for district court appointees, I’m asking them to come to my office because I want to know why things like explosives, fireworks, and those kinds of things, we had passed laws to make them accountable and then they get by with a minimum sentence of a \$1,000 fine. That’s not accountable. These people are making millions of dollars on these explosives.

“Therefore, I urge my colleagues to again add some accountability on explosives. That is important! That’s the bottom line! I urge my colleagues to vote ‘aye’ on this bill.”

Senator Chun rose in support of the measure with reservations and stated:

“Mr. President, I stand in support of this bill with reservations.

“Mr. President, I think the comments by the Honorable Senator from TMG are well taken. Explosives are a concern. However, I am concerned about the provision allowing the director to make such a determination without regard to Chapter 91.

“Chapter 91 is intended to inform everybody, the public, what should or should not be done, what is going to be allowable and what is not. Without such a protection, I am very, very concerned that somebody whose conduct and use of materials is allowed right now will have no notice as to the future inclusion of his activity or materials into section 353C. And if he has no notice, I do not know how we can rightfully require him or penalize him for failing to file a report which he has no understanding or notice of whether he has to file the report.

“Chapter 91 is intended to provide that link between making something unlawful and giving him notice that his activities will be covered. Without such a protection, I feel this bill will be held or could be held unconstitutional for a lack of due process.

“However, in light of the fact that they are valid concerns that must be addressed in terms of explosive materials that aren’t unreported and that nobody knows where they are and how they’re being handled, I will vote in favor of this bill to allow it to go into Conference so that these legal concerns, public concerns, can be met. If not, then I feel I will be voting against it on the final vote if it passes Conference.

“Thank you.”

Senator Ihara rose to speak on the measure with reservations and stated:

“Mr. President, I will be voting with reservations on this bill.

“If the bill comes back in final form with an exemption to Chapter 91 then I’ll be voting ‘no.’ Thank you.”

Senator English rose with reservations and said:

“Mr. President, I’ll be voting with reservations.

“I have a major problem with ceding the authority to the department head to come up with a list without any parameters. It’s just too much power that this body would be giving up.

“So if it does come back without protections, I’ll be voting against it. Thank you.”

Senator Chun Oakland rose with reservations as follows:

“Mr. President, I feel the same way as the previous speakers and will be voting with reservations. Thank you.”

Senator Matsunaga rose with reservations and said:

“Mr. President, I’ll also be voting with reservations.

“I have concerns with whether the reports that are filed are going to be kept confidential. If not, then they actually may be more harmful to our national security efforts than helpful.

“Thank you, Mr. President.”

Senator Fukunaga rose and said:

“Please note my reservations also, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3230 was adopted and H.B. No. 2565, H.D. 2, S.D. 1, 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, 20. Noes, 5 (Chumbley, Hemmings, Hogue, Ige, Slom).

Stand. Com. Rep. No. 3253 (H.B. No. 1722, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3253 be adopted and H.B. No. 1722, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in support of the measure with reservations and said:

“Mr. President, I rise to speak in favor of this bill with reservations.

“I note three problems. First, it appears that they tried to get everything under one broad title and so this is called ‘Relating to Transportation.’ Probably, it should have been relating to contracts or procurement so it’s probably a stretch to say the airport concessionaire contracts are relating to transportation. Second, this bill does three different things in its body and one of them, regarding certification of commercial vehicles, is completely unrelated to the others. And finally, the biggest problem is this bill would give airport concessionaire contracts a clause insulating all parties from liability for any breach caused by any act of God or any other deity, riots, etc., or ‘any other circumstance beyond the control of the breaching party.’ Now, my colleagues should know that a lot of things could be argued to be beyond the control of the breaching party. For example, is it beyond the control if they just have a bad year financially, for instance?

“While the provisions give examples of what type of events the drafters had in mind, it’s dangerous to include such broad catchall wording. So I note these changes should be made as this measure goes forward.

“Thank you.”

Senator Chumbley rose in opposition to the measure and said:

"Mr. President, I'll be speaking in opposition to this measure.

"The good Senator who spoke before me convinced me that this is not worth voting on with reservations, and I believe another colleague of mine once lectured me that if you vote with reservations you may not ever have the opportunity to vote 'no' again, so therefore . . .

"There's some real serious concerns in this measure with regard to Section 2, an amendment to HRS 102 called force majeure. The previous speaker identified some of the exemptions that we would be allowing, but colleagues, nowhere else in the statutes does the State of Hawaii allow the force majeure or the exemption from any other law, provision, or contract for acts of God. Those are issues that belong in contracts to be negotiated between the Department of Transportation and the contractee. They don't belong in statute.

"Unfortunately, that creates for me a poison pill in this bill that isn't even worth voting for 'with reservations,' although there may be some valuable things in here that would help stimulate our economy and provide some relief to the concessionaires. But unfortunately, once we go down this slippery road we're going to have force majeure for everything and everybody who does contracts with the State. So if you all want to deal with that on an ongoing basis, where everyone's asking you for force majeure, then support this bill. But this is a big mistake.

"Thank you."

Senator Kawamoto rose in support of the measure and said:

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

"Taking the previous speaker's comments in CPC, I agree that since the force majeure portion of this bill is not in the House bill and it's in our Senate draft, we're going to go to Conference on this bill, and I gave my word that I will take that out as promised in CPC.

"But the other things that go along with it, the commercial vehicle is something that's needed by the commercial drivers, the repeal of the sunset date for the air carrier, again, we had a concern about monopoly here. This would give us a chance to ask to get some regulations in the procedures of the airline industry.

"And as far as the airport concession is concerned, what's happening now is the concessionaires out there are borrowing money to stay alive out there. These are people with 25 years of business at the airport. Because of the situation now they're dying and they need some help. What help? We have not come to a conclusion with DOT.

"This is again a bill in the making and the fact is that the House has passed another bill and we had some say in it, but we think that we need another stand from the Senate position again minus the force majeure clause in it, a position to help the concessionaires.

"Thank you."

Senator Ihara rose to speak against the measure and said:

"Mr. President, I'll be voting 'no' on this bill.

"I'm a little concerned that the House may agree to this bill and the provision of force majeure and would like to send a

message that would encourage them to disagree and take out that provision and then I may be open to vote for the bill.

"Thank you."

Senator Matsunaga rose in opposition and said:

"Mr. President, I rise in opposition.

"Mr. President, the good Senators from Maui and Kaneohe have convinced me to vote 'no.' I was originally going to vote 'with reservations' but I, too, share the concerns of the Senator from Kaneohe about the constitutionality of this measure. As we all know, Article 3, Section 14, states that 'Each law shall embrace but one subject, which shall be expressed in the title.' And Mr. President, even under the expansive ruling of the *Schwab vs. Ariyoshi* case, which is the seminal case that interprets this provision, I think that this may run afoul of our State Constitution.

"Thank you, Mr. President."

Senator Slom rose to support the measure with reservations and said:

"Mr. President, I rise in support of this measure with reservations. I note that one man's poison is another man's table salt.

"I'm always interested when we get so many different opinions, particularly with the various factions in the Majority Party. It's very encouraging to hear where they're coming from. And I think the arguments do make a lot of sense, but I'm coming from a different direction, and it's kind of what the Transportation Chair, the Co-Majority Leader, was talking about in terms of the airport concessionaires.

"During the emergency session last year, one of the issues that we were to address was to help the airport concessionaires. And the reason we were helping them, as opposed to other businesses, is because of the events after 9/11 made it nearly impossible for people to get to their business and do business with them even though they were still liable under a contract with the State. And the State, particularly the State Department of Transportation and its administration, were very slow in trying to deal with them, help them in any way, or to take notice in cognizance of the fact that something had changed dramatically other than the revenue producing activities that the State and particularly DOT wanted. So our whole objective in that special session was to help out the concessionaires, and we did so on a very short-term basis.

"And I've watched that since January of this year the administration, both the Governor's Office and also the head of DOT, have sent conflicting reports as to whether or not they really did want to help the concessionaires because they had measures that would have changed the bid status and the procurement process would have put them at a great disadvantage, did not go out of their way to continue to try to help them, used them as economic and political pawns right up until the fact that we got this Christmas tree bill. And it is a Christmas tree bill. It's got all kinds of ornaments hanging on it.

"I would have much preferred, as the good Senator from Kaneohe said, that we would have had a simple bill that addressed the subject of extending the contracts of the airport concessionaires in terms of the negotiated reductions that we talked about. But be that as it may, this is the only vehicle at this point for continuing our word to try to help these airport

concessionaires. And for that reason, and that reason primarily, I will continue to support it.

"Now, I know that the Transportation Chair has never broken his word and I know that we can take that to the bank, if the bank is open. Maybe he closed or may have reduced hours that day. I also know that I've heard from my colleague from Maui about that slippery slope, yet my colleagues seem to go down that slope all the time and will be doing it for next five or six hours here today.

"So it is a bill that we're concerned about and if you really are concerned to the extent that you think it's a bad bill, I echo those responses, then vote 'no' now! But if you want to help those concessionaires and you realize that's the only way that we can do it and the only way that we can keep the word that we all made during our special session, then vote with strong, strong, strong reservations.

"Thank you, Mr. President."

Senator Hemmings rose with reservations and said:

"Could the Clerk please record strong, strong, strong reservations for me, Mr. President."

The Chair so ordered.

Senator Ige rose and said:

"Mr. President, I do have reservations, as well."

Senator Chun rose and said:

"Mr. President, strong, strong, strong reservations for me."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3253 was adopted and H.B. No. 1722, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Chumbley, Ihara, Matsunaga).

Stand. Com. Rep. No. 3254 (H.B. No. 2167, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3254 be adopted and H.B. No. 2167, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in support of the measure and said:

"Mr. President, I rise to speak in favor of this bill.

"Colleagues, I must tell you that I am tremendously disappointed that we have continued talking about this ill managed demonstration project. Why it hasn't been stopped already in a repeal bill sent to the Governor to sign is beyond my comprehension. My constituents and your constituents have loudly complained about picture takers sitting along the highways, snooping on their driving habits.

"In the last few days we've seen the ACLU file a lawsuit even while the company that operates the project arrogantly hands out 10,000 tickets a month. The situation is so bad that even the DOT has tried to hand the whole mess off to the county police departments, and the Judiciary is considering declaring the entire law unconstitutional.

"Common sense and good public policy would dictate that the county police should enforce the speeding laws and keep our roads safe without snooping picture takers sitting hunched over in vans. In turn, the county should derive revenues from the tickets the police write in their normal, professional manner so the counties can maintain that much needed enforcement.

"However, some Legislators, mostly on the other side haven't seen the light even though it's right smack dab in their eyes. To our colleagues over in the House who believe that we should try to come up with some way, any way, to tweak this bill, I say get some common sense. You can't fix it by making the camera vans positively identify the driver. That's cost prohibitive, and probably a technical nightmare. You can't fix it by suggesting the camera van tickets won't be on your traffic abstract, won't be charged to your insurance because that's unconstitutional. And you can't hand it over to the police a few days a month like it's been proposed because, frankly, they don't want it.

"The bottom line – you can't fix it; you can't fix it; you can't fix it! We don't need to amend a bad law. We need to use some common sense and get those snoops off the highways. Let's stay strong all the way through Conference Committee until this thing gets signed by the Governor . . . repeal, repeal, repeal!

"Thank you very much, Mr. President."

Senator English rose to support the measure and stated:

"Mr. President, I speak in support of the measure.

"You know, Mr. President, I never did care for this program, and my colleagues in Maui never did care for this program, my constituents in Maui. For me, Mr. President, the fundamental flaw of it is that it was so invasive and it presupposed that we do not trust our own people.

"You know, this caused so many problems, but I've got to point out some of the good things that it did because it did do some good things. It made people aware of their driving habits. It made people aware of just how valuable privacy is in our country. It made people aware that government has the ability and the tools to take away that privacy at any moment, and in fact, has done so. This is just the tip of that iceberg. With all of our new security measures, nothing against them, but understand that the idea of privacy has changed in our country and has changed very much so in Hawaii.

"I'm glad to support this measure. I ask my colleagues to support it, and joining my colleague across the aisle over there, ask our House members to simply agree with the Senate – repeal this bill, repeal this act. Repeal, repeal, repeal! There we go. (Laughter.)

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3254 was adopted and H.B. No. 2167, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC ENFORCEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3264 (H.B. No. 1093):

Senator Kanno moved that Stand. Com. Rep. No. 3264 be adopted and H.B. No. 1093, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Slom rose in support of the measure with reservations and said:

“Mr. President, I rise in support of this measure with reservations.

“You know this is a real simple measure. It says the Governor shall not allow Washington Place to be used for any events intended to solicit funds, support, or votes for any candidate for elective public office. Well, Mr. President, I thought that was the law already. I thought we all understood that. I thought there had been several Ethics Commission determinations about that, and yet there have been campaigning and solicitation of funds at Washington Place.

“The Ethics Commission specifically stated that there should not be any campaigning at all at ‘what is a state facility supported by state tax dollars.’ And I think that’s a very good policy. It’s unfortunate that we have violated that policy for the last several decades. In fact, the current resident of that state supported subsidy housing, I believe, made a promise when he ran for office the first time saying that if elected he would give that Washington Place to the people of Hawaii. Well, now that he is moving out of the house he says he’s going to do that. And in fact, right outside this building and across the street we’ve seen major construction taking place and a new residence. And that brings me to my reservation, Mr. President. This bill talks about Washington Place, but does not talk about the new residence which is being built adjacent to it on the same property and by the same taxpayers as Washington Place, and that is the new governor’s residence.

“The argument was made that the present governor and former governors were able to violate the ethical and campaign very clear laws regarding campaigning because the governors also used Washington Place as their official residence. So if we use that as the determination of official residence where the new construction is taking place, I think it would be much better if when we go into Conference we suggest a very strong amendment that says that Washington Place and the governor’s official state residence, or to keep faith with the Ethics Commission, ‘any state constructed and state supported facility in this state.’

“Thank you, Mr. President.”

Senator English rose in support of the measure and said:

“Mr. President, I rise in support of the measure.

“I share the very same sentiments of my colleague from East Oahu. But Mr. President, in looking at the way that the bill is constructed and a common understanding of Washington Place, and this is a question that was asked, Washington Place is the entire compound. The yard, the structures, the fence, the gate, the whole thing is called Washington Place – not simply the building.

“So I share the same sentiments and I asked for clarification on that. I think the general public understands it that way and I think if we can all understand it that way, then it covers all the concerns. So I support the measure with that clarification.

“Thank you, Mr. President.”

Senators Hogue and Hemmings requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3264 was adopted and H.B. No. 1093, entitled: “A

BILL FOR AN ACT RELATING TO THE USE OF WASHINGTON PLACE FOR CAMPAIGN ACTIVITIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 3267 (H.B. No. 2349, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Matsunaga and carried, Stand. Com. Rep. No. 3267 was adopted and H.B. No. 2349, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO AUTHORIZED EMERGENCY VEHICLES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3287 (H.B. No. 1823, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3287 was adopted and H.B. No. 1823, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3288 (H.B. No. 2840, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3288 be adopted and H.B. No. 2840, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hemmings rose to speak against the measure and said:

“Mr. President, I rise to speak against H.B. No. 2840, S.D. 2.

“Mr. President, this bill is needed where you don’t have any leadership. Obviously, good leaders would know what to do. And what it really does is it establishes the ‘let’s appoint a commission to take the blame for recommending the cuts we would do ourselves if we only had the guts’ taken from a report by the ‘what to do after the election is safely over advisory commission.’ I think they gave it a slightly different title in the committee report, but that’s exactly what this bill does. It really is a way to circumvent showing some real leadership. Therefore I’ll be voting ‘no.’”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3288 was adopted and H.B. No. 2840, 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, 22. Noes, 3 (Hemmings, Hogue, Slom).

Stand. Com. Rep. No. 3292 (H.B. No. 2420, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3292 was adopted and H.B. No. 2420, H.D. 1, S.D. 2, 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, 25. Noes, none.

Stand. Com. Rep. No. 3293 (H.B. No. 2844, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3293 be adopted and H.B. No. 2844, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senators Hogue, Hemmings and Slom requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3293 was adopted and H.B. No. 2844, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3296 (H.B. No. 2843, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3296 be adopted and H.B. No. 2843, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue requested his vote be cast "aye, with reservations," and the Chair so ordered.

Senator Slom rose to speak in support of the measure with reservations and said:

"Mr. President, I rise to speak in support of the measure with reservations.

"The problem that I have with this bill, and it has several good features to it, particularly with the automatic ballot recount, but the problem I have is with the provision for mail ballots on special elections. I have two problems with that – one in terms of allegations of fraud during the last two elections. A lot of that fraud had to do with the way mail-in ballots or other ballots were handled and I don't see any changes or any procedures that have taken care of that. Secondly, I think the definition of 'special elections' may mean different things to different people. The indication in the media reports were that we're talking about a situation that we just had recently for the special election to fill a City Council seat in the City and County of Honolulu. But I think the bill itself may be vague and certainly broad in terms of allowing other elections to be designated as special elections.

"So I'll have reservations on this bill. Thank you."

Senator Chumbley rose in support of the measure with reservations as follows:

"Mr. President, I rise to speak in support of the measure with reservations.

"Mr. President and colleagues, Sections 1 and 2 of the bill, I think, deserve some further discussion and consideration. It's Sections 3 and 4 of the bill that I am very concerned about. Section 3 of the bill requires that there shall be printed on a separate ballot each individual party. This is going to result in a significant cost impact to the Office of Elections and to the taxpayers for a system that basically we really don't need. The process of multiple parties on front sides and backsides of ballots works provided that we provide to the Office of Elections adequate funds to be able to educate the public on how to use that ballot. With this process in place, there could

be thousands upon thousands or tens of thousands or hundreds of thousands of wasted ballots and wasted printing. That's not a very efficient use of public money.

"The second portion I have concerns about is Section 4. And colleagues, while I understand that we need to take some kind of action on this, telling someone that he'll be removed from a public office upon conviction does not allow that individual his appeal process under the courts and under the Constitution. So, I'm not sure how we're going to address that, colleagues. Removal upon conviction is problematic, but as the managers of this measure move forward on it, I would urge caution on Section 4 and request that you remove Section 3 from the bill.

"Thank you."

Senator English rose to support the measure and said:

"I rise in support, Mr. President.

"I share many of the concerns of the previous speaker. I can support the measure because these concerns have been brought up in Committee and as this moves forward we've tried to deal with this. Now we're getting to the end game, and when it goes to Conference I hope some of the measures that the previous speaker talked about gets fixed. I also hope that we . . . I think we have, but make it very clear, Mr. President, that special elections mean elections outside of the regular cycles, outside of the common terms, because in Maui County, Mr. President, we call the primary and general, special elections – the first special election and the second special election.

"So the unintended return of this may be that we have to do all of our elections by mail. And I know that we're working on making sure that's not the case, but this will have to be worked out and made more clear in Conference. So I'll support the measure, Mr. President.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3296 was adopted and H.B. No. 2843, 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, 25. Noes, none.

Stand. Com. Rep. No. 3304 (H.B. No. 2542, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3304 be adopted and H.B. No. 2542, H.D. 2, S.D. 2, , having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose to support the measure with reservations and said:

"Mr. President, I rise in support of this measure with reservations.

"This started out as a moorage increase bill and has turned out to be a bill, after the several amendments, to one in which the Legislature is now going to be responsible for the legislative fees rather than the Department of Land and Natural Resources. I think a lot of the testimony has shown that the problems with boating, in general, and the lack of maintenance and repair, specifically, rests with the DLNR, and this bill really does not go far enough to address those problems or to hold the department responsible.

"In addition to that, there still is lurking the Governor's proposal to commercialize, not privatize, but commercialize Ala Wai Boat Harbor. So I will support this now at this point with reservations.

"Thank you."

Senator Tam rose to speak in favor of the measure and said:

"Mr. President, I rise in favor of H.B. No. 2542, H.D. 2, S.D. 2, relating to boating.

"This bill embraces the Board of Land and Natural Resources' desire to have community grassroots public hearings, statewide, on the issue of proposed moorage fee increases before embracing any fee increases on non-commercial boats.

"Colleagues, please do not get fooled by the administration that they need the money just to repair piers and other needs of small boat harbors. They do have a special fund. The Auditor's report, four Auditor's reports basically, have indicated misuse of the special funds. We need to embrace the proper use of special funds at this time, rather than let the administration get away with it.

"Thank you."

Senators Hemmings and Hogue requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3304 was adopted and H.B. No. 2542, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BOATING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3305 (H.B. No. 2821, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3305 was adopted and H.B. No. 2821, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE DEPARTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

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

Senator Taniguchi moved that H.B. No. 1800, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Taniguchi rose to support the measure and stated:

"Mr. President, I rise to speak in favor of H.B. No. 1800, S.D. 1.

"Before I begin my comments on the executive supplemental budget, I would first like to thank the staff of the Ways and Means Committee. They have been nothing short of professional and hard working. I am proud to be associated with this intelligent, creative and enthusiastic group. I would also like to thank all the members of the Ways and Means Committee. While we may not have agreed on everything, and while some of you may vote against some of our proposals, each committee member played a role in shaping this budget. It

has been a challenging time for all of us, and I appreciate the hard work and patience exhibited by all.

"As we've said many times before, Mr. President, the terrorist attacks of September 11th have had a very profound impact on all of us in many different ways. Our State, like almost all of the states nationwide, is facing a sudden revenue shortfall of enormous proportions. Legislatures across the country are struggling to balance their budgets with proposals very similar to ours – a combination of revenue increases and spending cuts.

"I know entering September of 2001, most executive departments were probably in the last phase of preparing a budget very different from the one that was proposed to us in January. I know that to react to the new revenue projections during the last two months of the year must have been very difficult. With that said, I applaud all of the departments for doing their part in scrutinizing their current spending and coming up with the cuts that they did. I realize that for many of the departments these rounds of cuts were just one more of the many sustained over the last ten years. I also realize that because of these circumstances, the Department of Education and the University of Hawaii, for the first time in a long time, both had to offer up reductions.

"But as we also know very well, the executive budget is but one element of the State's general fund financial plan. The cuts that the departments have offered barely begin to cover the expected revenue shortfall expected over the next six years. So in addition to these deductions, the Governor has asked us to balance the financial plan with a variety of revenue increasing measures. It appears that many, if not all, of the Governor's proposals to increase revenue are not faring well.

"The reluctance to embrace his revenue proposals has ultimately left us with taking an even harder look at the executive branch's budget. Given this possibility, I did ask the departments to look at higher cuts of 3, 4 and 5 percent. I believe with any additional cuts in spending across the board, services would be severely curtailed and people would lose their jobs, something I think we should avoid right now. Moreover, given that the largest departments provide for the most crucial services to the people – education, health, and public safety – cutting them further would translate into a direct negative impact to the public. This leaves us in the quandary that faces many of our colleagues across the nation – increase revenues or cut spending, especially in the areas of education, health, human services, and public safety.

"The budget request we started with already proposed a net negative change to the budget we passed last year. In total, the Governor's supplemental request would have decreased state spending by \$35 million a year. I should point out that of that amount, the Department of Education was being cut by \$15.6 million, and the University of Hawaii by \$3.6 million.

"After much review, discussion, and argument, the budget before you reduces the executive budget by an additional \$37 million to bring the total reduction to last year's budget to \$73 million. While I have tried to leave the Department of Education intact as much as possible, and even have proposed to you a way to provide much needed additional resources in the hurricane relief bill, H.B. No. 2654, denying requests for additional funds was unavoidable, especially the University of Hawaii, the Department of Public Safety, and the Department of Health.

"Furthermore, while the Governor believes that increased funding for public construction will help boost the economy, I believe we will be fast approaching a point of diminishing

returns with another large increase in capital investment. I am certain that if we were to approve another \$900 million in CIP projects, which he had requested, we will, in effect, infuse too much capital into an industry that has a limit in its capacity and is already showing signs of strength with increased construction by the private sector.

“By keeping public funding of construction modest, I not only want to avoid creating artificially high demand, which may cause project bids to increase, I want to avoid saddling the State with too much debt at a time when we cannot be anything less than fiscally cautious.

“Therefore, colleagues, this budget proposes that we approve new GO bond funded CIPs at a level closer to the House’s proposal for a total of \$350 million. Coupled with the Judiciary CIPs found in H.B. No. 2300, our new GO-funded CIPs will total approximately \$385 million.

“In conclusion, members, I again caution you to look at our entire financial plan. This budget before you is contingent on all the other revenue measures before you today. There will be those who will argue today that we have other ways to fund this budget. While I will certainly review these proposals, I would remind all of you that we have had three months to hear these proposals and none of these eleventh-hour proposals seem to be feasible. Should we find ourselves without the option of increasing revenues in some manner, additional cuts – cuts to education, cuts to human services, cuts to all government services – will be necessary. With cuts at any higher levels than what I’ve proposed to you in this budget, complete programs will have to be eliminated, many deserving needs will go unmet, and many jobs will be lost.

“I urge you to carefully consider not just this budget, but our complete financial package, and I urge your support. Thank you.”

Senator Sakamoto rose to support the measure with reservations and said:

“Mr. President, I rise in support with reservations.

“I am aware of the tremendous amount of work that has gone into creation of this budget, and I must commend the Ways and Means Chair and his staff. But Mr. President, we’ve gotten a lot closer to balancing this budget without having to tap hurricane funds and I believe we can get there.

“Mr. President, cuts are not always bad. Many, many businesses, including my own, are forced to make cuts in this ailing economy and with the national crisis. Many will emerge stronger and better companies. The cuts force them to change how they do things, to look at efficiencies in improving productivity. We should do no less.

“Mr. President, if we can all picture a field . . . agriculture is something that we talk about here, and there may be crops on that field. And sometimes our bills in the past have said let’s clear another part of the field and we have money, let’s plant a new crop. And we do that and we have another field and we keep extending it.

“Mr. President, it’s sad that sometimes the crops that we’ve planted, the new crops get chosen to be the first crops not to be watered, not to be fertilized and in fact left to wilt, and the older crops, ‘oh, we should keep those.’ And many times in agriculture, in fact almost all times in agriculture, for the crops to flourish, one needs to aerate, one needs to till and turn over the soil, one doesn’t just come and throw top soil and fertilizer

on top of the ground. One needs to make the ground nourished much deeper.

“Mr. President, I believe there are ways that we should do that. We should look at federal funds that are plentiful and are they maximized? I think not. Do we know even in this body how the federal funds are used with the funds that we put forth, as well? I think there’s opportunities for synergies with new federal money – no child left behind money, federal impact aid money. There’s ways to do more with what we have, Mr. President.

“So I support the Chair in his efforts to support education, higher and lower, Mr. President, and I believe we need to continue to do more, we need to kind of aerate and till some of the soil that’s been trampled down over years and is just hard, Mr. President. We need to do better so we can invigorate from the ground up.”

Senator Hemmings rose to speak in favor of the measure with reservations as follows:

“Mr. President, I rise to speak in favor of H.B. No. 1800, H.D. 1, S.D. 1, but with reservations.

“Mr. President, I, too, would like to thank several people involved in this process, first and foremost the Chairman of the Ways and Means Committee who’s been fair, and that’s all we can ask out of him. He has listened to the Minority pleas and ways to cut. Occasionally, but rarely, he listens to us, but he has been fair and we can ask no more of him. But nevertheless, he is wedded to an ideology that has created this problem which I will point out.

“I’d like to also thank his staff who likewise under the Chairman’s leadership have been extremely fair and extremely efficient. I think the Ways and Means Committee members and the staff are probably amongst the hardest working people in the Legislature. But likewise is the staff of the Minority who have been loyal not only to the people who employ them, we the Senators, but also to the beliefs we hold dear to our hearts. And I’d like to, in speaking to this budget, I’d like to thank that staff for the work they’ve done, oftentimes toiling in the basement in the shadow of the Majority Party, the rewards seem to be few and far between.

“I would like to respond to some of the issues brought up by the good Chairman of the Ways and Means Committee who is advocating the passage of this budget. I reserve the right in the future to vote ‘no’ against it, but I’m voting ‘with reservations’ for obvious reasons.

“This budget is wedded to a formula that has put Hawaii in the economic abyss that we’re in, and that is consistently, and I hate to sound so rhetorical, the increasing of spending every year and the increasing of taxes needed to support a very large and inefficient government. Mr. President and colleagues, it’s not my opinion. The facts speak for themselves regarding the state of Hawaii’s economy. Our problem was not created by the Big Five, not created by Ronald Reagan, not created by the Japanese economy. It was created by the policies of we the Legislators and the leaders of the State of Hawaii.

“We had a press conference several weeks ago that enunciated some of our new ideas to specifically spell out what could be done to reduce state spending in a very systematic and honest manner. Unfortunately, our pleas fell on deaf ears in the Majority Party, and with the aid of a sometimes complicit media, mainstream media, the public did not hear much about our proposals, and what was heard was somewhat distorted through the media’s interpretation of our proposals.

“We had staff look at audits over the last five years. Every one of the audits pointed out massive malfeasance, massive duplication, massive misappropriation of taxpayers’ money to the tune of \$221 million. It’s unconscionable that this amount of money has been squandered by various departments that are audited. Now, the excuse by some such as Virginia Lowell whose Library Department was audited is that ‘Well, we’ve corrected those mistakes.’ That’s not the point. The point is that this shows a pattern of abuse and malfeasance. If this was only one or two departments in the last five years that have made mistakes, so be it. But consistently . . . and time does not permit me to go through the pages that just indict department, after department, after department. And they come back to us every year and say, ‘We need more positions. We need more money. Yes, we got caught in this audit. We’ve been accused of malfeasance, but give us more money and we’ll do a better job.’ It just isn’t true.

“The excuses sometimes are lame. In a letter to the editor, Virginia Lowell said that they were audited and one of the things pointed out was they didn’t collect all their library fines, and she said they had been working hard at it and have collected 30 percent of the fines. That’s fine, but whatever happened to the other 70 percent. That’s a terrible collection rate, and the Senator from Hawaii Kai is exactly right about it.

“The second thing in this budget that is quite honestly disingenuous, and our staff did an incredible job of identifying it. I’d like to specifically thank Nani Medeiros who does all the numbers crunching in the Minority staff. We have over 5,000 vacant positions that are being funded. According to our calculations – there may have been some changes in this final draft, but in the House version of the budget – it’s over \$94 million of vacant positions. We could cut those positions; they’re vacant. No. You know what we found out and what we know to be true? That these vacant positions’ funding – and the media somehow missed this message – this is a slush fund. This is a slush fund. You can make no bones about it. This money is used for overtime and for whatever else. The department heads . . . are we holding our departments accountable or are we saying, ‘Okay, use 5,000 vacant positions that are unfilled as a slush fund so you can spend the money as you please.’ Don’t take my word for it. Look at the audits. Time and time again the audits point out abuse of overtime and other expenditures of taxpayers’ money.

“There’s a third way to collect money. We have the Quest financing – a good, noble program – taking care of the people who can’t insure themselves. But according to the Legal Aid Society, they could be contracted to the State of Hawaii for the sum of about a quarter of a million dollars to collect anywhere, and they estimate conservatively, between 30 and 60 million dollars in money the Department of Human Services failed to collect. So what do we get from the Department of Human Services rather than saying, ‘Hey, let’s talk and work something out. Maybe you guys can help out and we’ll be much more cost effective.’ What we get is a two-page scathing letter denouncing Legal Aid’s proposal from the DHS saying we’ve done a wonderful job under existing law.

“Well, that’s not exactly what Marion Higa said. Just one short year ago, she talked about a division’s review of how Medicaid claims processing is weak. ‘With a 30 percent error rate noting our sample of 50 claims, it’s difficult for us to understand why only a few errors were detected in the reviews conducted by the division. We believe that errors are likely occurring with significant frequency.’

“But who does this Legislature believe? The Legal Aid Society, the good public spirited people that work oftentimes

for very little pay in a nonprofit organization for the benefit of the poor, or do we believe the department head who’s been audited and proven to be misrepresenting the facts. She sends a letter and says, ‘Oh, we’re doing the best job we can.’

“There’s huge amounts of money that could be cut from the state budget. I’d like to challenge anybody to do the math when we have people stand up on this Floor and say that this budget is cutting spending. It’s not cutting spending. It’s cutting the growth of spending. Nevertheless, the budget is going up as it does every year. In fact, amazingly, the budget has grown at the state level three times faster than the private sector economy has. And you wonder why businesses cannot afford to stay in Hawaii.

“While the Majority Party will have you believe this general fund expenditures have been reduced, the truth is that they have increased. Not only has the supplemental budget increased over last year’s appropriated amounts, but the new funds are being raided through other measures in a total of \$177 million. And that includes moving some of the really necessary programs into the hurricane relief fund raid.

“I want to say right here, I got a call from my colleague in the House of how Machiavellian and clever they are in the House Majority. I think the good Senator from Manoa will appreciate this. They even put funding of the wastewater plant in Waimanalo, which is a huge liability for the State, in the hurricane relief bill. Someone called that blackmail or hostage taking.

“This budget increases spending, and if you add in the people that are being added in other appropriations, the number employed by the State will increase even though we have 5,000-plus vacant positions.

“Colleagues, the smoke and mirrors are clearing and the deer in the headlight is about to get run over.

“Thank you, Mr. President.”

Senator Slom rose in opposition to the measure and said:

“Mr. President, I rise in opposition to the bill.

“I will be voting ‘no’ and it’s very difficult to vote against the entire budget because the entire budget is voluminous. It has many very good things in it. It has some things that we need. It has some marginal things, and then some things that we don’t need. I, too, will add my support and mahalo to the Chairman, committee members and staffs of both the Majority and Minority. We know everybody worked hard. That’s not the issue.

“We did have very spirited discussion. As a matter of fact, I remarked during one Ways and Means hearing we could have charged admission and sold revenues for the seats since we charge for everything else in the State now, and maybe brought in some revenue that way. It was good that discussion took place. The only problem is, after the discussion takes place and after the arguments take place, then people go about doing the same thing that they’ve continued to do before.

“I’m getting a little weary of people talking about September 11th because our budgetary and financial problems in this State did not start, nor were they really exacerbated after September 11th. The roots of our problems go back for the last four, five administrations, and they’ve been compounded by the things that we have done in the Legislature and by things that we haven’t done in the Legislature. We talk about accountability and we pass individual and specific bills, for example, to hold

teachers accountable. Well, that's great, but we all should be accountable. And I can remember the Co-Majority Leader, last year, saying he gets frustrated sometimes, but what can we do? What can we do?

"Well, what we can do is what the good Senator from Kailua just said. We can refuse funding for organizations that don't comply. We can refuse funding for organizations that come before various committees and don't even know how their money is spent; cannot even answer questions, and kind of laugh it off because they know that in the end, in the end we'll give them more money. And why not? It's not our money. It's the taxpayers' money, and we are supposed to be the guardians and the trustees of that money. We're not very good at it, not very good at all.

"And I guess the problem that I have in supporting the budget, even with reservations . . . though it means that I'll lose my seat on the Conference Committee – something I always look forward to. I guess the reason I have a real problem is because we keep hearing about these cuts and reductions and slashes, and as the good Senator from Kailua said, we're not telling the public the truth. We're not cutting the budget. The budget is increasing. It's increasing at a slower rate, guaranteed, but it is increasing. The number of public employees is increasing. The amount of debt that our children and grandchildren will have to pay for is increasing. We're doing all that, and we're doing it with the full knowledge that there are other alternatives and there are other things that we can do.

"If I had a dollar for every time one of my colleagues said, 'Well, what would you do? How would you cut the budget?' I'd be a wealthy man. And I responded. The two Minority Senators responded at a press conference. We laid out the information. We said, 'Here are some alternatives. Here are things that we can do.' The media, some of which are sitting up in the gallery right now, they did their usual 'ho hum' because half of them don't understand economics at all. The other half are in league with the status quo, and some of them are just looking to get a position with either the state administration or in some way the state government. And some of them shrug their shoulders and say, 'That's not news. You've said that before.' Well, here's a flash for the media – excessive spending, taxes, fee increases, debt, non-accountability is not news either but you keep reporting it, and you keep telling people 'This is the only thing we can do because the only alternative is closing down the libraries, throwing women and children out into the streets. The only thing we can do is to raise taxes more, increase the budget, add more public employees.' That's not the only thing we can do. And when we adopt a budget like this, what we have done is foreclosed on serious and critical analysis of any of those other alternatives.

"When we did make serious alternatives and options for fiscal planning, some of our colleagues said, 'Well, you can't do that. We can't do that.' Why not? Why not? If we're talking about changes and we see change all around us, then why is it that only this state government doesn't change? Because what we're doing now is what we've always done before. Only, we're doing it under the shadow and the mask of September 11th. September 11th doesn't mandate that we keep spending and increasing the size and scope and regulatory authority of government. But we're not giving critical time to looking at those alternatives.

"Hey, the three of us here, we'd be very happy to have hearings and you'd say 'This is why this won't work. This is why we can't do this.' But we don't do it. We just ignore it and we go on doing our business the way we've always done it before.

"We talk about a financial plan. Colleagues, we don't have a financial plan. We've got something tacked on here and glued on there and appended over here, and it's all dependent on what we do with the hurricane bill, and the liquor tax bill, and the cigarette bill, and raiding the special funds, and doing this and doing that. That's not a financial plan. And those few of you in business, those few of you that have to reach in your own pockets and meet your own payrolls would never, never do the kinds of things that we're doing with this budgetary process because you'd be out of business. But then again, you don't have the luxury of taxing people and holding other people responsible for your errors and your mistakes.

"There comes a time when we have to stand up and say this is not right! We really need a change because if we don't, we will continue taking our single moms and families and small businesses down the road to economic destruction. That's what we're doing. That's why we continue to rate and rank number 50 every time a ranking comes out, except somebody showed me a ranking this morning, I think we're number one in the country in romance. That's good news. Unless they were talking about how Legislators romance the public into thinking that a tax increase or a fee increase is really good for them.

"We're all aware of what's happening in the private sector although a lot of us put blinders on and just look straight ahead. We've argued in these sessions for years about equity and parity for public employees, and public employees do deserve to be treated fairly, compensated fairly, to have fair benefits. But when the private sector is hemorrhaging, when businesses continue to go out of business, when we have bankruptcies, foreclosures, thousands of jobs lost and being lost, is it then fair to say that public employee jobs are more worthy than private sector jobs? What we're really saying is we do have a role for you in the private sector. No matter how hard you're hurting, we'll let you continue to support an increasing, growing and bloated state government. That's what we're telling them.

"We haven't done anything in these sessions to date to alleviate the cost of living, the standard of living, and the cost of the average man and woman in our community or small businesses. We haven't done it. And worse yet, we really spent very little time talking about it.

"So here we are faced with the budget. And the budget will pass and we'll go into Conference and some of the numbers will change back and forth, and we'll pat ourselves on the back. But we haven't changed the direction of this State and that's what we have to do. We have to provide incentives, and we have to realize that if a part of our society is hurting, if a part of our society has learned how to prioritize, as painful as it may be, and to cut back and do without and reduce, then we've got to do that too, particularly since it's not our own money. If it's our own money, we can do whatever we want to do, and be held responsible for it. But we haven't done that.

"And again, this arguing about how we have cut across the board should incense every individual who believes in programs and individuals that work hard and that are good. Why would you cut across the board for anything? And why would you always, always hold the schools, the school teachers, the libraries hostage and say, 'Gee, we really don't want to do it, but we're going to have to cut them too.' When you've got beaucoup programs in this State that aren't worth the spit that they put out at legislative hearings, you cut bad programs. You cut people that are not performing and don't give us honest answers. You listen to the State Auditor who we all pat on the back. We all unanimously reappoint her. We say what a wonderful job she's doing, and then we turn a blind eye because

we don't implement or believe that it's necessary to make the changes in the things that she says.

"You don't cut across the board. I've said this before. If we really believe in education as being number one, then you say that's it. Number one, we're going to do the things that we have to do and they're not all financial, as we've learned before. They are structural, reorganizational, systemic. You do those things first and then you move on to the next item. Is this really important? Then we move on to that. But just stop promising everybody that you're going to do everything for them because any government that's big enough to give you everything you want is big enough to take away everything you've got. And that's what we're doing in this State little, by little, by little. And all of us are still seeing people leaving this State, still seeing businesses struggling or shutting down. And we go 'ho hum' just as the media do, and we go about our business.

"It's got to stop. We have to learn how to stand up and make choices and make differences, and those choices are out there. Are they painful? Yes. Do they need to be done? Yes. Could we do them? Yes, we could, but instead we're going to pass this bloated budget and then we're going to go on and raid the hurricane fund, raid the special funds, raise the cigarette tax, raise the liquor tax, raise fees on everything else, and say at the end of the day that we've done our job. We haven't done our job. As trustees and guardians for the State's economy, we have not done it. And every time we say we're doing it for the keiki, those poor keiki, they look us in the eyes and they've got to be wondering who are we trying to fool; who are we trying to romance.

"So regrettably, Mr. President, I'll be voting 'no' on the budget. Thank you."

The motion was put by the Chair and carried, H.B. No. 1800, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hogue, Slom). Excused, 1 (Kawamoto).

At 12:06 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:24 o'clock p.m.

S.B. No. 2961, S.D. 2:

Senator Chumbley moved that S.B. No. 2961, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Hanabusa rose in opposition to the measure and said:

"Mr. President, colleagues, I know that the majority of you are in favor of the passage if this amendment and the bill with Floor Amendment No. 4. However, I cannot support the measure for the following reasons.

"Mr. President and members, the title of this bill is 'Relating to Voluntary Employees' Beneficiary Association Trusts,' and there are fundamental flaws in this that cannot, unfortunately, be cured even in Conference. Let us begin with the major flaw. The major flaw is in the fact that under the provisions of S.B. No. 2961, S.D. 2, we will now require that the collective bargaining representative or the unions bargain on behalf of retirees. In order to bargain on behalf of retirees, these retirees must be covered under Chapter 89. Chapter 89 is the collective bargaining statute and we all know that Chapter 89 has

provision 89-19 that gives it major preemptive powers, and it is like the federal labor law. In other words, any other law that may address anything regarding the issue of collective bargaining is preempted by 89-19. The problem then becomes with the definition of the employee who is covered under the act. The employee must be someone who is employed. It does not cover a retiree.

"What is the consequence of that action? The consequence is that when you then put a retiree issue into a collective bargaining agreement, that will not become what we consider to be a mandatory subject of collective bargaining, which then means that there is absolutely no obligation to bargain on their behalf. In essence, the retirees have no say. And because of the preemptive nature of Chapter 89, it means Chapter 89 prevails over whatever S.B. No. 2961 may become in the future.

"The other problem with this whole action, members, Mr. President, is the simple fact that though this has been named and basically promoted as the teachers' bill, this is the bill for the teachers and the teacher retirees, it in fact affects every single union and every single retiree, present and future, of all unions. So, we have not heard, for example, from UPW retirees, HGEA retirees, SHOPO retirees, UHPA retirees, or anyone else. They have not been heard because we haven't had any public hearings. We say we have this informational briefing of one day. We have heard in the other arguments that we've had on this Floor that there were these meetings, that irrespective of representations that may have been made, for example, to the good Senator from Kauai, that when they met, they had to change the bill because the bill could not address, not address, what it was that the good Senator from Kauai and others were asking for because you have concerns about adverse selections, you have concerns about keeping that pool of people so that there will be numbers.

"But the main concern we should all have is as we hurry to do this, and as we push it through, what are we doing to other parts of the law? And if it becomes a law, can this bill properly protect the interest of those that we are saying we are interested in protecting? And the fundamental flaw is that you cannot address Chapter 89 within this title, and by failing to do so, you are leaving the retirees, all retirees, at the mercy of the collective bargaining process that they have no rights in. And that means they have no rights to file prohibitive practices if they believe that they are not being represented. They have even no rights, technically, to strike over it because it's not a mandatory subject of bargaining. If you strike over a non-mandatory subject of bargaining, it's an illegal strike. So you don't have the necessary protections given to a group. You are simply saying, 'Okay, you're going to be covered. Don't worry, your union will represent you.' The union has no obligation to represent them because the concept of a union and a representative is in Chapter 89, which does not cover them. That's the first thing.

"The second thing, again, it's a simple matter of accountability. Accountability because you are not giving this power to the union. You are giving it to a third entity, whatever this VEBA is. And people have said, you know, VEBA under IRC 511C(9), that, you know, it gives some kind of reporting. You've heard it constantly. Members, IRC 501C(9) is nothing more than the tax-exempt status. Like 501C(3), we all know that. That's a tax-exempt corporation. 501C(9) is the provision of the Internal Revenue Code that is exclusively reserved for labor unions. Every labor union is a 501C(9). Unity House is a 501C(9). Fraternal associations are 501C(9). ILWU's fraternal association is a 501C(9). Those are what a 501C(9) is.

"I've set one up. You know what it is? It's exactly what they're doing here. You set up your bylaws. You set up your

articles. You submit it. Give it to the Internal Revenue Code and you say give us a tax exempt-status. That's what it is. And what do you do in terms of reporting? Whatever any other 501C(9) organization does.

"You've heard comments about the ERISA that we're going to have ERISA type of safeguards. ERISA? ERISA doesn't apply, and neither will any of these organizations permit ERISA to apply to them, simply because ERISA only applies if your employer is covered under ERISA. The State of Hawaii, technically the employer, is not covered under ERISA. Separation of powers – we're a state municipal government, therefore the federal government has no jurisdiction over us. That's what we tell them, anyway. So we're not defined as an employer. Therefore, there are no ERISA-related protections.

"Many of the other arguments that have been made, we've all made them for or against the bill, but this is a fundamental flaw, especially when it affects the group that we would like to see protected – the retirees. We cannot say that if you are an employee now, which is what this bill says, that you will stay in that group and not give them the necessary protections of someone that you should bargain for and have a responsibility to bargain for, and that cannot be done in this bill. So you will be sending off a group of people and say, you will be bargained for by a union that has no legal obligation to represent you. And that is what we're doing.

"We have words in here about may include, may port the amount, may do a lot of things. But what do we do, or how can we assure these employees that have worked diligently for the State, some of them the older ones sacrificing a lot along the way. How do you protect them? Because once these VEBAs are formed, we, the State, have no jurisdiction over these entities. We don't have the right to monitor. In the private sector, when trust funds are created, ERISA-related trust funds, you will find employer representatives, usually an equal numbers sitting on these trust funds. The reason why is because they both have interests. One is a money interest and the other, of course, is the interest of insuring the benefits continue. We do not have this balance.

"I'm sure that it is an affirmative statement on the part of all of us who vote in the affirmative that we believe the unions will watch out for their employees. That's a great statement. But the question is What about the accountability to the taxpayers? What do we owe them? Do we owe them anything? Or do we just simply let this collective bargaining process go through and we simply do the money now. We don't look at the little nitty gritty of each collective bargaining agreement. We don't have line item veto rights on the collective bargaining items. We just approve the money. We leave it up to them.

"At that point we've delegated our responsibility. I am not willing to delegate my responsibility. I believe that we owe these retirees not to delegate our responsibility not only to a union that doesn't have a legal obligation to represent them, but in addition to that, an entity that really owes no one in the State a fiduciary obligation.

"For those reasons, I continue to stand in opposition to this bill.

"Thank you, Mr. President."

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

"Mr. President, I, too, rise in opposition to this bill.

"The Senator from Waianae has laid out the reasons very clearly. In addition to that, I would like to emphasize that we are taking apart what we did last year in Act 88. We really have laid the groundwork for all of that to be taken apart back to the separate union trusts.

"I'm also reminding my colleagues that our Auditor said that this is the source of a lot of the problems that we face in terms of the money that goes into these plans. She talked of a billion dollars or more in less than ten years in the premiums that will be going for the health coverage of the state's employees and retirees. Consolidating the union funds into the employee union trust was one of the primary recommendations to address that problem. We are undoing that. There is no way that we will be able to prevent other unions from doing the same.

"I would urge my colleagues to oppose this bill. We are not providing the protection for the retirees that we may think we are. We are not providing for the equality of benefits for state employees across unions. And I think that is an important part of the whole discussion, a part of our responsibility in terms of fairness and equality to our employees.

"Thank you."

Senator Ige rose in support of the measure and said:

"Mr. President, I rise to speak in support of S.B. No. 2961, S.D. 2.

"First of all, I would like to request that the Senator from Liliha's remarks last Friday be inserted into the Journal as if they were my own. (The Chair so ordered.)

"I would just like to add a couple of brief points. I continue to be amazed that opponents of this measure insist that this proposal undermines Act 88, the health fund reform that we passed last year. The Legislative Auditor in her audit of the Health Fund had cited two major issues that needed to be addressed to insure solvency of the program. The first and foremost was cost containment, and people have referred to the billion dollar increase in the cost of the health fund and providing benefits for our employees. And she did talk a lot about adverse selection and how that contributes to the burgeoning costs.

"Neal Miyahira, the Budget Director, had acknowledged last Thursday that the most important impact of Act 88 is cost containment of health benefit programs. He also begrudgingly acknowledged the fact that this proposal before us today has 100 percent of the cost containment features of Act 88. I repeat, 100 percent of the benefits of cost containment. The cost to the taxpayer is absolutely equal to the penny. This proposal that we have before us is absolutely equal from the perspective of the taxpayer.

"I also spoke with the Legislative Auditor and she did express her concern about not being able to discuss these issues with me because she did not have the benefit of her consultant and that she didn't have anybody on her staff that was an expert in these health matters. So I sought out an expert to talk about the issues of adverse selection, the issues of size of group, the issues of efficiencies gained by having a single employee union trust versus having one or more.

"And I did actually connect and spoke with a health professional who does this for a living, a health actuary that for more than 40 years has been involved with setting health insurance premiums. And he did ask that he remain anonymous because he feared retribution if he actually spoke up against this proposal. But he basically told me this: First and foremost, this

proposal that we are voting on this afternoon eliminates adverse selection. The proposal has no problem with people being selected into and out of a program purely to get to a lower cost population of beneficiaries or higher cost population of beneficiaries.

"I talked to him about the size of group and how important is size of group. Well, this health actuary basically said, once a group gets to be 2,000 people, more or less, that the size of group is irrelevant. The cost of the premium and the premium is determined by the actual experience of that beneficiary group. The premium will be determined 100 percent by the utilization and the benefits that are provided to the beneficiaries.

"Third, he did acknowledge that, obviously, if you have more than one plan, then if you were to accumulate the administrative cost of the plans, that it would be higher. But he did say that for the most part, having one large group, or two equal groups, or three equal groups, that the average cost per member is essentially the same once the group gets to be a size of significance, 10,000 people. So clearly, the whole discussion about the administrative costs going through the roof, I think, is irrelevant.

"You know, it's funny how opponents of this measure also like to continue to point to the continuing investigation on the existing health benefits program of other union plans and all of that. I would just like to point out that this proposal before us impacts those investigations in exactly the same manner that Act 88 does. Essentially, there is no impact. We can continue to go after those programs if we truly believe that there was excess monies moved over then we can pursue that. We can pursue that in the case of the HSTA VEBA trust if we have grounds. There's nothing in this proposal that is any different than the impact that Act 88 had on our ability to do that.

"I support this measure because I do not believe that a single state-run monopoly is in the best interest of the employees or the people of the State of Hawaii. I support this proposal because it is equal to and better than Act 88 in many, many, many ways.

"And finally, I really support it because it empowers employees to take responsibility for designing and administering their own benefit plan because I truly believe that's in the best interest of all of us.

"So colleagues, I urge all of you to support this measure."

The Chair having so ordered, Senator Chun Oakland's remarks read as follows:

"Mr. President, I speak in support of this measure.

"I hadn't planned on speaking today, but I would like to respond to the Senator from Kauai's comments with regards to the concerns he raised earlier, because I had shared those concerns. I actually asked those questions even prior to the Senator coming to the briefing. We did in fact, in drafting the floor amendment, consult after the briefing with Paul Tom, who is with the Benefits Plan Consultants Organization and is basically responsible for the HSTA VEBA, and had asked every single concern and possible amendment that both the people at the briefing were open to. That's my recollection. They were open to those amendments. However, when we did speak with Paul Tom on some of those points, he said it was not possible for us to actually do a statutory change. In fact, we would be overridden by existing federal law.

"So I know that from my vantage point, having been concerned as the Senator from Kauai was on a number of

issues, I was very certain that Paul Tom was aware of the amendments that we wanted to make, but in his professional involvement in this, he had indicated that it was not possible.

"So that's why those amendments are not in this floor amendment. Thank you."

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise in opposition to the floor amendment and to the bill.

"How can we not believe that this action will undermine Act 88 of last year? That's the whole purpose. If there was solidarity in believing what the Legislative Auditor said and the idea of cost containment and adoption of her specific recommendation for the single statewide public employee health fund, if we turn our backs on that, then in fact we are saying that it really is not that important after all and we are undermining. It was said during the debate last year that this was a major point that was going to be fought tooth and nail, not on the cost but because of the question of compulsory unionization, the question of political endorsements, political muscle and so forth. So the battle began during the discussion last year. It continued after the bill was passed. There was an attempt to try to get the bill vetoed. They were not signed. And it's continued ever since.

"So anybody that thinks that this debate and this discussion has anything to do with health care is mistaken. It has to do with political persuasion and political muscle.

"Now, I respect the good Senator from Pearl City and particularly his individual efforts to talk to people because I raised the issue the other day of what does the Legislative Auditor think about this. And I congratulate him for going to the Legislative Auditor and for her truthful and candid response that she is not equipped herself at this time, under these circumstances, in this rushed fashion to provide us with the additional information, analysis and judgment that are needed. And, of course, that is one of the questions that some of us have asked.

"We had three months in which we could have discussed this issue. It could have been brought up in one of three committees, but it wasn't. We waited until the latter hours of this legislative session in which to do this.

"The good Senator from Pearl City also mentioned that the remarks of the Budget Director, and I must admit I watched the other day, not the public hearing because we've never had a public hearing, the informational briefing, and I did see the Budget Director ill at ease and coerced into a position to say exactly what the good Senator said that there was no cost difference. And I think that's part of the problem. Some of the people on the administrative team, so to speak, had a very difficult time in trying to express what the real reasoning is. The fact that he had a difficult time the other day, however, doesn't subtract from my questions or questions of my colleague about this, and it just goes to show that we've had some real problems in the past. We've had problems with negotiations. I certainly wouldn't want the administrative team negotiating for my business because I would have been out of business long time ago. First of all, they do a lousy job of negotiating. Secondly, after the negotiations are complete, they say, 'Oh well, I didn't have the authority to say that.' Thirdly, we'd get into a yearlong argument about whether we're talking about one year or two years and how much the money is. So, that doesn't reflect very kindly on the kind of negotiating that we have from the State Administration, but again does not deter from the issues and the questions that are brought up here.

"If this were an issue relating to health care, then we would do two things. One is we would seriously modify or overturn Hawaii's unique one in the nation, prepaid health care act adopted in 1974 with the promise that (a) it would be a 50/50 proposition between the employers and employees, and (b) every other state in the Union would follow our lead. Of course, we know no other state in the Union has followed our lead. We've gone from as high as 22 health care providers in this State down to three right now because of the monopoly aspects or oligopolistic aspects of this particular legislation, which the vast number of members of this body and the Legislature continue to support.

"So if we really were looking for health care options, not only for the public employees, but, here we go again, the private employees who we never talk about, we never talk about . . . we're talking about enriching benefits for public employees and singling out one union over another union when many, many people in the private sector and, particularly, sole proprietors, independent contractors, cannot even get accessible, affordable comprehensive group medical insurance in this State because of our inaction.

"When the good Senator from Pearl City says that he is opposed to a single statewide monopoly, then I would expect him to offer legislation to overturn the collective bargaining act which allows for a single statewide monopoly, forcing people to join a union, a compulsory union, a single union, dependent on their particular choice of work, be it a school teacher, a blue collar worker, or whatever. But we're not consistent in that either.

"And I was most interested in the good Senator from Pearl City when he said that he talked to an actuarial or an actuary who had 40 years of experience. I have no reason to doubt the gentleman or the lady's credibility. What I found most interesting was that that actuary said that he was intimidated and wanted to remain anonymous. He was fearful that he would say something, unless I'm quoting incorrectly, 'in opposition to this bill.' So my question is who is he fearful of? If this is a bill designed to talk about health care and choices and benefits, why would an actuarial or individual be fearful of retribution. Would it be from legislators? Would it be from the Budget Director? Would it be from the Legislative Auditor? Would it be from one or more union executives? I don't know. It wasn't made clear.

"But I say again, the reason we're here today at this juncture and the reason we're doing this has nothing to do with health care, nothing to do with procedure, nothing to do with the integrity of Senate Rules, but everything to do with political muscle, political endorsement. And for those reasons, I'm voting 'no' on the bill.

"Thank you, Mr. President."

Senator Ige rose and said:

"Mr. President, I just wanted to offer a point of clarification.

"The health actuary was fearful of making comments that would result in changes to Act 88, which the Governor and the leadership in the House and Senate worked so hard to keep under wraps and not allow public comments on."

Senator Slom rose and said:

"Excuse me, Mr. President. Point of information to the gentleman from Pearl City.

"So, am I right in thinking that the actuary was afraid of retribution from the Governor or what individuals? He was afraid of retribution from the Governor? Did he indicate what kind of form that retribution might take? Does he have government contracts, for example, or anything? He didn't. Okay, thank you.

"Thank you, Mr. President."

Senator Chumbley rose to support the measure and said:

"Mr. President, I rise to speak in support of the floor amendment and this measure.

"Just very briefly, a couple of short comments, colleagues. If you recall, a VEBA is a voluntary employees benefit association. And yes, it was indicated earlier that other unions may choose to do so, but they're not forced to join or create a VEBA. It's entirely up to them.

"The other point of clarification is I think we really need to get beyond the fear of this \$1 billion figure. We passed Act 88 last year. And this measure will comply with those changes, therefore we are now in a defined contribution program. We are no longer in a defined benefit program. So let's not use the fear of the auditor's report from the past.

"Finally, Mr. President, I would like to ask you to order the Clerk to invoke Rule 84, Questions to State Officers, and I'll read the rule, Mr. President: 'Any member of the Senate may ask any question of any state officer relating to the officer's respective department by reducing such questions to writing, over the member's signature, reading the same before the Senate, and furnishing the officer with a copy of such written question. Any officer questioned shall reply to such question upon the following day, unless the Senate shall grant a definite extension of time for replying.'

"Mr. President, I would like you to order the Clerk to write to the Budget and Finance Director and ask that officer if he was, in fact, coerced into taking the position that he did on this bill, which was, as proposed, that it would have no additional cost to the State of Hawaii.

"Thank you, Mr. President. I can expect that answer on Thursday?"

The Chair so ordered.

Senator Chun rose to speak against the measure and said:

"Mr. President, I'm not going to belabor the point. For the reasons I stated when this bill passed second reading, I will not be supporting this bill.

"Succinctly put, this bill does not form a VEBA in its real sense. It forms and gives authority to a union, a union trust fund. And more disheartening, what it does is it puts our retirees at the mercy of an organization that is not by law obligated to represent their interests. I do not question the fact that one of the trust funds has said that they will do that. However, that can easily change between whomever runs the union or not.

"When we're looking at a state law, we need to look at the overall impact. But what disheartens me especially about that issue is that after reaching an understanding in this informational briefing that it would not be any problem to include in the law that the retirees would get representational interest in the percentage of which they are in the trust, that that was so succinctly turned around by some backdoor dealings and

understandings made afterwards, out of the public eye without any benefit of finding out exactly what the reasons were to justify such a turnaround in policy.

“For those reasons, Mr. President, I will be voting ‘no.’ This is not the place to do it. We’re not here to make political deals behind closed doors.

“Thank you, Mr. President.”

Senator Chumbley rose and said:

“Mr. President, Roll Call vote, please.”

The motion was put by the Chair and carried, S.B. No. 2961, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES’ BENEFICIARY ASSOCIATION TRUSTS,” having been read throughout, and Roll Call vote having been requested, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 16. Noes, 8 (Buen, Chun, Hanabusa, Kokubun, Matsuura, Nakata, Slom, Taniguchi). Excused, 1 (Kawamoto).

At 12:55 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:15 o’clock p.m.

H.B. No. 2654, H.D. 2, S.D. 1:

Senator Taniguchi rose and said:

“Mr. President, I’d like to have H.B. No. 2654, H.D. 2, S.D. 1, recommitted.”

The President stated:

“If there are not objections from the members, we will recommit said bill.”

Senator Hogue rose and said:

“Mr. President, I object.”

The President made the following observation:

“There is an objection to the recommitment. Senator Taniguchi, will you move to recommit the bill so we can vote on this measure.”

Senator Taniguchi then moved that H.B. No. 2654, H.D. 2, S.D. 1, be recommitted to the Committee on Ways and Means, seconded by Senator Hanabusa.

Senator Hogue rose and said:

“Roll Call vote, Mr. President.”

Senator Chumbley rose and said:

“Mr. President, can you clarify for the members what the vote is actually on, please.”

The Chair responded:

“The vote is actually on recommitting H.B. No. 2654, H.D. 2, S.D. 1, to the Ways and Means Committee. It has been objected to. The objection was to vote on the measure. If you vote ‘aye’ you’re voting to recommit. If you voting ‘no’ you’re

voting not to recommit and you’re voting to actually vote on the actual bill.”

Senator Taniguchi rose and said:

“Mr. President, I have some comments that I’d like inserted in the Journal on this matter.”

The Chair having so ordered, Senator Taniguchi’s remarks read as follows:

“While I have made the motion to recommit this bill, I would like to state that I have reservations on doing so. I believe that by killing this initiative at this time, the Senate will be seriously limiting its options to balance the State budget without having to take drastic and unnecessary steps such as cutting essential public education programs.

“Just for clarification and for the edification of the members and the public, I would like to briefly outline the purposes of the S.D. 1.

“First, and most likely the crux of the debate on the measure, is the transfer of roughly \$55 million from the HHRF into the general fund. On this, I would like to make several points. First, that all \$55 million was earmarked for public education programs. Second, that amount – \$55 million – has been identified as interest that has been and will be earned by the fund since its inception in 1994 up to the end of June 30, 2002.

“Generally, the Ways and Means Committee felt that funding for the following six areas were critical and warranted the use of moneys from the Fund:

1. Board of Education priorities. As we all know, the State BOE had initially approved an increase to the Department of Education budget in the amount of \$55 million. Within that amount was a request for additional funds for multi-track schools, additional English as a Second Language teachers, science equipment and many other critical needs for new and existing schools. However, subsequent to the events of September 11th, the Governor, working with the Department of Education, pared the DOE’s budget request back to a negative \$15 million. This revised budget included not only the complete elimination of most of the additional funding requests, but also reflected base budget cuts – many of which directly affect the classroom. This bill proposed to provide \$11 million to restore a portion of those BOE priorities.
2. Education budget base budget cut restoration. As mentioned above, the Governor and the DOE submitted to the Legislature a Supplemental budget request that reflected a negative \$15 million dollar adjustment to the budget approved last year. That negative request included base budget cuts to many classroom programs that would severely hamper or eliminate programs such as computer education, the summer school program, and the A+ after school program. This bill proposed to provide \$8.8 million in funds to essentially restore a portion of those cuts.
3. Education-related bills. To show strong support for the multitude of legislative bills to improve public education this bill proposed to provide \$11.7 million in funding for many new initiatives for education found in 16 Senate Bills passed previously by this body. These initiatives included the Hawaii Education Loan Program, the Preschool Open Doors program, statewide safety

resource officers and stipend increases to assistant Athletic Directors, to name a few.

4. Education-related grants-in-aid. As we all know, our public education system is greatly enhanced by the good work done by not-for-profit groups across the State. This proposed to provide \$8.8 million in grants-in-aid to such groups to either continue or initiate education-related programs outside the classroom statewide.
5. University of Hawaii funding. The UH system had initially requested for over \$6 million in additional funding in this year's Supplemental Budget. While the Committee felt it was not possible to grant their full request at this time, it did feel that \$2 million could be provide to them in this measure.
6. Debt service for DOE-related Capital Improvement Program Projects. Finally, this bill provides for \$20 million to help pay for debt service for CIP projects of the DOE.

"This measure also created the Loss Mitigation Grant Program and uses funds from the Hurricane Relief Fund to help homeowners strengthen their homes against wind damage. I believe that this not only helps our citizens as homeowners, but will also help to lower the State's exposure to catastrophic loss due to hurricanes and will possibly lower insurance premiums in the future. Again, moneys used from the Fund were to be derived from interest earned from the Fund's corpus – NOT from the corpus itself!

"Again, Mr. President, I want to reiterate while I believe it is prudent to recommit this measure at this time due to a lack of support by this body, I personally feel that not keeping this measure alive for further discussion is short-sighted. The basis for transferring amounts from the HHRF to the general fund and the programs that are identified to benefit from these funds was sound and appropriate. Given our general fund revenue shortfall, and given the needs of the State – especially in the areas of public education – I strongly believe that using these funds was prudent and responsible.

"However, despite that, Mr. President, I will reluctantly support recommitting this measure at this time."

Senator Kim rose and said:

"Mr. President, I have some remarks I would like inserted into the Journal, please."

The Chair having so ordered, Senator Kim's remarks read as follows:

"Mr. President, I rise in opposition to any proposal to use the Hawaii Hurricane Relief Fund to balance the state's operating budget.

"Governor's budget submittal was based on wholesale use of hurricane money, despite strong legislative and public reservations about touching the fund.

"Our House colleagues are likewise basing their budget on the use of significant portion of hurricane funds – to the tune of \$100 million, while the Senate is proposing the use of \$55 million. I am strongly opposed to this because I believe that we have not exhausted all alternatives available.

"For example, we could be much more aggressive in reassessing innumerable special and revolving funds and placing or returning that money to the general fund. What

about looking at eliminating some of the thousands of funded vacant positions?

"And why haven't we tapped the state's rainy day fund – that is what it is for, rainy days, which is not the purpose of the hurricane fund.

"Enabling HHRF legislation stipulates that money is to be used solely for purposes of the act. It also says that money will revert to the general fund only if the fund is dissolved, which I do not advocate.

"Additionally, the executive branch has not proposed significant cuts in spending, nor has this body exercised strong oversight on effectiveness or efficiency of government operations – meaning potential targets for budget cuts have not been identified. All departments must be held accountable – all audits should be reviewed and discussed during the session in committee – and followed up upon.

"There are other sources of money we haven't touched or examined because of the relentless push to use the hurricane fund. But there's still time to seek alternatives, and I believe there are viable alternatives.

"I'm also concerned that this 'so called' one time raid of the HHRF will set a bad precedent. What stops us from raiding more of it next year? The City did this very thing – a one-time raid of the HPower fund is now 3 years running. Need I remind all of you that this is the 20th anniversary of Hurricane Iwa and the 10th anniversary of Hurricane Iniki, and another hurricane would place a tremendous strain on our already tight state budget.

"There are not many issues that get voters to e-mail and call my office with a vengeance. The use of the hurricane fund is one of these issues. While my constituents usually trust me to exercise my judgment on the multitude of issues before us, this is one they have made very clear that they want me to heed their wishes. And, as a contributor to the HHRF I happen to agree.

"For these many sound reasons, I believe the Hawaii Hurricane Relief Fund should remain untouched, and that we aggressively seek out other means of balancing the state budget."

Senator Hogue rose and said:

"Mr. President, I also have some remarks that I would like inserted into the Journal. Thank you."

The Chair having so ordered, Senator Hogue's remarks read as follows:

"I rise to speak in opposition to this measure.

"First, colleagues, I have a problem with the title of the bill – 'Relating to Government.' There's obviously a word missing here. It should read 'Relating to Bad Government' . . . because that's what has gone on in this State with regards to the hurricane fund for the past couple of years.

"We all know that the hurricane fund was well-intended. Whether it was originally needed because of bad government oversight in the first place is now a moot point. Due to a hurricane and the loss of insurance providers, the setting up of the fund was necessary.

"But the original law stated what the monies in the fund – that is, the homeowner insurance premiums, the assessments on property and casualty policies, and the special mortgage

recording fees – should be used for. HRS, Section 431P-16(h) says, and I quote, ‘Moneys in the hurricane reserve trust fund or in trust or custodial accounts, created for the benefit of the fund’s secured parties, shall be expended by the Hawaii hurricane relief fund or its authorized designee and used solely for the purposes of this chapter.’

“The law doesn’t say that you can raid it or borrow it or any of the other ideas that have been brought forward . . . which all represent bad government policy.

“And Colleagues, our constituents know that, too. They know you can’t take their money for one purpose and use it for another. What that amounts to is an illegal tax.

“By any reasonable standard, the State has a fiduciary responsibility to look after the monies in the fund. By law, the \$220 million or so currently in the fund can revert to the general fund ‘solely upon dissolution of the Hawaii hurricane relief fund.’ As you know, borrowing or raiding is not dissolving. The rewriters of this bill apparently know this, too, so they have conveniently slipped in new language that says the monies in the hurricane reserve trust fund ‘may’ be disbursed in the ways that they deem appropriate.

“Colleagues, this isn’t appropriate. Once again, it’s bad government policy.

“There are only two redeeming policy ideas with regards to the Hawaii hurricane relief fund – either keep the money in the fund in case of another impending hurricane or give all or part of it back to the rightful owners of the monies . . . the people of the State of Hawaii who paid into it. That’s an example of good government.

“I’ll be voting ‘no’ until that happens.”

The motion was put by the Chair and carried, Roll Call vote having been requested, H.B. No. 2654, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT,” was recommitted to the Committee on Ways and Means on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (Chun Oakland, Fukunaga, Hogue, Ige, Ihara, Inouye, Slom). Excused, 1 (Kawamoto).

At 1:20 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:27 o’clock p.m.

Senator Hogue rose and said:

“Mr. President, I just wanted to stand up and get a point of clarification from the Chair of Ways and Means.”

Senator Taniguchi having answered in the affirmative, Senator Hogue inquired:

“Point of inquiry, please. I just want to make sure that I understand totally what we did on the last bill, H.B. No. 2654, H.D. 2, S.D. 1, Relating to Government. I wanted to understand exactly what recommitment means, if in fact this will kill the hurricane fund raid or borrowing.”

Senator Taniguchi replied:

“Mr. President, I believe the motion was to recommit. Based on our timetable, unless we suspend the Rules, I believe the recommitment effectively killed the House Bill in the Senate.”

Senator Hogue responded:

“Thank you very much. I just wanted to make sure that’s exactly what we were doing and we let everybody know that’s what we were doing because I think it is bad government policy to raid or borrow from the hurricane fund, and I’m glad that the Senate has come to its senses and recommitted, killed, or whatever they’ve just done.

“Thank you.”

THIRD READING

MATTERS DEFERRED FROM FRIDAY, APRIL 5, 2002

H.B. No. 1715, H.D. 1, S.D. 1:

On motion by Senator Menor, seconded by Senator Matsunaga and carried, H.B. No. 1715, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 2315, H.D. 1, S.D. 1:

Senator Kanno moved that H.B. No. 2315, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Slom rose in opposition to the measure and said:

“Mr. President, I rise in opposition to the bill.

“The way I understand this bill, Mr. President, it prohibits obstruction for people going in or coming out in any way or building or facility, except that it exempts labor unions from this particular act. If I’m incorrect, I would appreciate a correction. If not, I’m voting ‘no’ on the bill.

“Thank you.”

The motion was put by the Chair and carried, H.B. No. 2315, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE OBSTRUCTION OF INGRESS OR EGRESS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

THIRD READING

H.B. No. 2788, S.D. 1:

Senator Taniguchi moved that H.B. No. 2788, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I rise in support of the bill with reservations.

“I know that there are occasions when we have to have blank amounts to move legislation along, but I think because of the importance of our state bond rating, the amount of state debt we should have at least an idea of how much we’re voting for or how much could be authorized in additional general obligation bonded debt.

“Thank you.”

Senators Hemmings and Hogue requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 2788, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE BONDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3176 (H.B. No. 1867, H.D. 1, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 3176 be adopted and H.B. No. 1867, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Buen.

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

“Mr. President, I rise to speak in opposition to this bill.

“I am concerned with providing health care to those who have suffered economic hardship resulting from the recent economic downturn, but I’m concerned that passing this bill will eventually drive Hawaii toward the practice of health care rationing for its neediest residents.

“Many states, along with Hawaii, are struggling with budget shortfalls, however, I found none that are adding populations and services to their health programs. States that have expanded state health programs during recent years are, in fact, scaling back benefits for low income groups by imposing co-pay requirements, premiums and other cost-sharing measures. While it appears programs in this bill will expand access to health care, it will in fact deny or severely limit future access for some of the poorest of our poor.

“We must tailor our health care assistance to fit our resources. We must realize these important facts: our spending on health care programs is exceeding our ability to pay. We have put as much into health care services as we can possibly generate. Tough decisions need to be made and they need to be made now. And finally, government cannot be all things to all people.

“Please join me in voting ‘no.’ Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3176 was adopted and H.B. No. 1867, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HEALTH CARE FOR THE UNINSURED,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Taniguchi).

Stand. Com. Rep. No. 3178 (H.B. No. 2216, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3178 be adopted and H.B. No. 2216, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in support of the measure with reservations and stated:

“Mr. President, I rise once again, this time to speak in favor of this bill, with reservations.

“The original draft of this bill extended the sunset provision relating to the treatment of mental illness, alcohol and drug abuse. Senate Draft 1 has taken it one step further and eliminated the sunset date. Any legislation imposing mandated benefits should include a sunset provision and the mandate can be renewed after careful, periodic evaluation. No review has been undertaken with regard to the mandated benefits imposed by this bill.

“Recent academic research in the medical field has uncovered that there are many physical causes to mental problems. A study at the Georgetown Medical School in Washington, D.C. found that many symptoms currently chalked-up as psychiatric or emotional causes are actually caused by some physical problems. Whether that is correct or not is open to debate but it’s definitely worth noting.

“While observing the fast changing world of medical research, I feel I must express my concern with permanently codifying coverage for mental illness, alcohol or drug abuse. I hope the extension of the sunset date will be put back in the bill during Conference Committee.

“Thank you, Mr. President.”

Senator Slom rose in opposition and said:

“Mr. President, I rise in opposition to the bill.

“The good Senator from Kaneohe has given you good reasons why he has serious reservations, but my reservations are such that I’m voting ‘no’ because the liability falls squarely on the shoulders of those in the private sector who must provide prepaid health insurance.

“This is yet an additional cost which we were told we were going to study and analyze and look at to see both what the cost impact is going to be after a period of years and also what the benefits were going to be. We’ve seen neither and therefore I’m forced to vote ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3178 was adopted and H.B. No. 2216, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO MENTAL HEALTH, ALCOHOL, AND DRUG ABUSE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

Stand. Com. Rep. No. 3179 (H.B. No. 2459, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3179 be adopted and H.B. No. 2459, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I rise in support of the bill with reservations.

“This bill and the one to follow, I’ll be voting with reservations also, it is our annual making emergency appropriations for departments that can’t budget their budgets and properly have a financial scheme.

"We overuse the word emergency. We certainly want to make sure that people that deserve services get them, but we should hold the agencies accountable for taking care of the funding. So therefore, I have reservations.

"Thank you."

Senators Hogue and Hemmings requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3179 was adopted and H.B. No. 2459, S.D. 2, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATION FOR SOCIAL SECURITY/MEDICARE EXPENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3180 (H.B. No. 2495, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3180 be adopted and H.B. No. 2495, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak on the measure with reservations and said:

"Likewise, Mr. President, I'll be voting with reservations . . . again, an emergency appropriation, this time for the Department of Human Services. Every single year we do this.

"Aloha."

Senators Hemmings and Hogue requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3180 was adopted and H.B. No. 2495, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3181 (H.B. No. 2512, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3181 be adopted and H.B. No. 2512, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition and said:

"Mr. President, I rise in opposition to the bill.

"To remain consistent, it is yet another bill that is starting a special fund. This time it is the public health nursing services special fund.

"While I certainly support our nurses and the need for more nurses, I do not support special funds and so I vote 'no.' Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3181 was adopted and H.B. No. 2512, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC HEALTH NURSING SERVICES SPECIAL FUND," having

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

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 3182 (H.B. No. 2761, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3182 be adopted and H.B. No. 2761, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against H.B. No. 2761, H.D. 1, S.D. 1.

"Mr. President, to make a long story short, this is another one of those modest bills, at the time, that will end up being a huge boondoggle and a future burden on the people of the State of Hawaii.

"What we're telling everybody now is send your kids to school. It's questionable whether or not we'll be able to educate them but we'll also take care of their teeth. This, once again, and I hearken back to a wonderful speech given by the good Senator from Waianae regarding parental responsibility, I think that, possibly, parents should be held accountable.

"Also, this bill does not seem to be very well indexed to the parent's ability to pay for the care of their own children's teeth. For these and other fiscal reasons, I will be voting 'no.'

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3182 was adopted and H.B. No. 2761, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY ORAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Hogue).

Stand. Com. Rep. No. 3185 (H.B. No. 2014, H.D. 1, S.D. 2):

By unanimous consent, Stand. Com. Rep. No. 3185 and H.B. No. 2014, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NEW CENTURY CONVERSION CHARTER SCHOOLS," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 3186 (H.B. No. 2164, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3186 was adopted and H.B. No. 2164, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATOR LOAN PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3187 (H.B. No. 2166, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3187 be adopted and H.B. No. 2166, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator English rose in opposition to the measure and said:

“Mr. President, I rise to oppose the measure.

“Mr. President, this bill is tied to H.B. No. 2848, which is coming up. I oppose this on two grounds. The first is that it blurs the line between the separation of church and state. Allowing special purpose revenue bonds for education is the title but this allows for special purpose revenue bonds for private schools, including religious schools.

“The other issue, and perhaps the more important one for me, Mr. President, is that this leads down the road of privatization of our public schools. It opens the door for this. I think that we should keep our schools in the public sector. We shouldn’t allow for the privatization of our schools and if you look at this in combination with H.B. No. 2848, it opens the path for this.

“So I oppose this bill and ask my colleagues to vote this bill down. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3187 was adopted and H.B. No. 2166, H.D. 1, 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, 23. Noes, 2 (English, Nakata).

Stand. Com. Rep. No. 3188 (H.B. No. 2235, H.D. 2, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3188 be adopted and H.B. No. 2235, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I support the bill with reservations.

“The reservations are, basically, we’re told that we don’t have enough money to take care adequately of current University of Hawaii programs and University of Hawaii facilities and here we’re establishing a Pacific Center for Ecosystems Science within the UH.

“I understand that there is a possibility of getting federal funds to help on this but it still is going to be additional cost for both operation and maintenance.

“Thank you.”

Senators Hemmings and Hogue requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3188 was adopted and H.B. No. 2235, H.D. 2, 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, 25. Noes, none.

Stand. Com. Rep. No. 3191 (H.B. No. 2798, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3191 was adopted and H.B. No. 2798, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SCHOLARSHIPS,” having been read

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

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3194 (H.B. No. 2501, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3194 be adopted and H.B. No. 2501, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure and said:

“Mr. President, I rise to speak in opposition to this bill.

“What this bill does is transfer monies from the unemployment compensation fund to workers’ compensation for public employees. Several things here . . . we passed emergency legislation last October to provide additional unemployment compensation benefits for those who had lost their jobs subsequent to 9/11. Only employers pay into unemployment compensation. No employee pays a penny into that.

“Workers’ compensation has continued to be a problem which we are not addressing in this Legislative Session. The problem is a greater problem, however, for private employers. So here what we’re doing is we are transferring money from the state unemployment comp fund to the state workers’ comp fund to take care of state employees and the people that wind up paying for this will be the private employers.

“Thank you.”

Senator Sakamoto rose in support of the measure with reservations and stated:

“Mr. President, I rise in support with reservations.

“As stated by the speaker from Hawaii Kai, yes, it takes money from the unemployment fund and I assume if you’re a state worker, you wouldn’t want to be unemployed at this time. So it makes sense for that fund to have extra dollars.

“On the other hand, it’s not clear why the workers’ comp fund should require extra dollars. And when I asked the chair of the subject matter committee this time, because this measure came before, if indeed the question was asked why do we need extra dollars in workers’ comp, the answer was in the negative.

“So Mr. President, I believe it’s our duty to understand why more dollars are needed for workers’ comp, and if indeed it’s justified, fine and well. If indeed there needs to be things to be changed to reduce or at least control the cost of workers’ comp, I believe that’s something this body needs to address but we need to know why costs rise, Mr. President.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3194 was adopted and H.B. No. 2501, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE APPROPRIATION FOR STATE EMPLOYEE BENEFIT PROGRAMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Stand. Com. Rep. No. 3195 (H.B. No. 2599, H.D. 2, S.D. 2):

By unanimous consent, Stand. Com. Rep. No. 3195 and H.B. No. 2599, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE EMERGENCY ENVIRONMENTAL WORKFORCE," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 3200 (H.B. No. 2017, H.D. 1, S.D. 2):

By unanimous consent, Stand. Com. Rep. No. 3200 and H.B. No. 2017, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 3202 (H.B. No. 2271, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3202 be adopted and H.B. No. 2271, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against H.B. No. 2271, S.D. 2.

"Mr. President and colleagues, you want to save some money? We can save \$50,000 or whatever amount is being talked about for another ubiquitous task force. Enforce existing laws and we'll get the job done. Unfortunately, oftentimes when we have a problem, what we do rather than enforcing laws is make new laws in hopes that it will change the perpetrator's mind when they're getting away with it anyway.

"The Department of Agriculture especially is to be suspect on handling the enforcement of any laws. We do know, for instance, that we have very strong laws about importation of alien species and animals into the State of Hawaii and people are walking through the airport turnstiles with boa constrictors around their necks and they end up in our environment and no one ever gets fined.

"So Mr. President and colleagues, these laws are no better than the ability to enforce them if we want to stop agricultural theft, catch the thieves and convict them and send them to jail.

"Thank you, Mr. President."

Senator Buen rose in support of the measure and said:

"Mr. President, I rise to support the bill.

"During the interim, Mr. President, you had approved the Agriculture Committee to meet with farmers and ranchers and others who were interested in agriculture and we went throughout the state to each county. In each county we found that agriculture theft is a huge problem. We met with the prosecuting attorney, the police, the shipping industry, farmers, and the Department of Agriculture with their representative in each county.

"As a result, our findings showed that there were a lot of problems with this crime. Therefore, as a result because of these findings, your Committee introduced legislation. After hearing the bills, all the stakeholders agreed to support a bill that they believed would help the most and this is the bill. Collectively, they agreed to work together to bring down the crime and the group made a commitment to work together and ask for training and information and pamphlets to be distributed to the public.

"This is a small investment, Mr. President, for a large return to our farmers. Thank you."

Senator Slom rose in opposition as follows:

"Mr. President, I rise in opposition to the bill.

"Mr. President, this is a tough call because this is something that we all have supported year, after year, after year. Unfortunately, we found that this is a prime example of the impudence of the Legislature. We have had farmers beg us for years to do something about the growing problems of agricultural theft. And if this is the best that we can do, bring stakeholders together to let people study this, it's not going to help anybody; it's not going to work.

"As a matter of fact, one of the prime citrus producers in this state, a gentleman who is known worldwide from the Big Island, has announced that he's going out of business because he can't deal with this anymore or the Legislature's lack of doing anything.

"Now, when we bring the stakeholders together we might as well bring the thieves together too because everybody knows who they are. They're very prominent on the neighbor islands particularly. They show up at farmer's markets. I don't know if they're world class farmer's markets or just regular farmer's markets. The produce is identified. The livestock is identified.

"Law enforcement people say that we can't do anything about it because we've got people's privacy rights and yet we're destroying the very industry that we say that we're trying to save – agriculture.

"So the problem is that this bill and this legislation is not going to do anything. It's not going to do anything for the two businesses that have already announced they're going out of business, and I doubt that it's going to do anything in the future.

"We've got to stop passing feel-good legislation, more studies, more task forces and find out why we can't put people behind bars that steal from another's livelihood.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3202 was adopted and H.B. No. 2271, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO ABATE AGRICULTURAL THEFT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Chun, Menor).

Stand. Com. Rep. No. 3214 (H.B. No. 2251, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3214 be adopted and H.B. No. 2251, H.D. 2, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise again in opposition.

"The opposition is based on the fact that while this is a wonderful bill, crafted in the Tourism Committee, again it has another special fund. Is anybody keeping count how many new special funds we've created thus far today? It is creating a state park special fund and no one argues that (1) our state parks are

in terrible condition; and (2) tourist, as well as residents, utilize the state parks and they look forward to them.

“I think the real question has been, Why didn’t the state parks department itself do a better job of doing this in the past? To create a special fund is not going to alleviate that problem now.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3214 was adopted and H.B. No. 2251, H.D. 2, 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, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Chun).

Stand. Com. Rep. No. 3215 (H.B. No. 2595, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3215 was adopted and H.B. No. 2595, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION TO ENHANCE AGRICULTURAL TOURISM VENUES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Hogue). Excused, 1 (Chun).

Stand. Com. Rep. No. 3218 (H.B. No. 1777, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3218 be adopted and H.B. No. 1777, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Buen rose in opposition to the measure as follows:

“Mr. President, I rise to oppose this measure.

“I voted for this bill in Committee. However, after looking over the bill, this bill’s proposed language is unnecessary and I think it’s very superfluous.

“It’s earmarking only public hearings, and contested case requirements for a possible exemption tells the rate payers and the general public that waivers of public hearings on contested case requirements are encouraged. Unless this is the Legislature’s intent, public hearings and contested case requirements should not be singled out among all of the other provisions of Chapter 269.”

Senator Matsunaga requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3218 was adopted and H.B. No. 1777, H.D. 1, S.D. 1, 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, 18. Noes, 6 (Buen, Fukunaga, Hogue, Ige, Ihara, Slom). Excused, 1 (Chun).

Stand. Com. Rep. No. 3219 (H.B. No. 2445, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3219 was adopted and H.B. No. 2445, S.D. 2, entitled: “A BILL FOR AN ACT

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

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

Stand. Com. Rep. No. 3220 (H.B. No. 2468, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3220 be adopted and H.B. No. 2468, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

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

“Mr. President, I rise in opposition to this bill.

“The purpose of this measure is to authorize the DCCA to hire consultants to assist in reviewing cemetery and pre-need funeral authority license applications. I’m sorry, I thought that’s what DCCA is supposed to do. Now we’re going to hire consultants to help them do their work and then we’re going to pass the charges on to the consumers.

“Bad bill, bad precedent – NO!”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3220 was adopted and H.B. No. 2468, H.D. 1, S.D. 1, 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, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Chun).

Stand. Com. Rep. No. 3221 (H.B. No. 1761, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3221 be adopted and H.B. No. 1761, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in opposition to the measure as follows:

“Mr. President, I rise to speak in opposition to this bill.

“It has become very obvious, at least during the Committee hearings anyway, colleagues, that slues of people don’t like HMSA – employers, patients, doctors, state department heads. The list of testifiers in favor of this bill and against HMSA’s stranglehold on the PPO marketplace went on and on and on. Listening to the testimony, it became increasingly obvious where at least some of this antagonism originates.

“HMSA, let’s face it, is not exactly the poster child for sunshine and full disclosure. To give you just one example, we were told that HMSA in one chart had only two subsidiaries. A testifier handed us a diagram showing us what sure looked like ten subsidiaries of HMSA. HMSA later tried to explain this discrepancy by saying their own HMO isn’t a subsidiary, it’s an affiliate. So what they really meant was that HMSA had two subsidiaries and some affiliates and some other related branches that, technically speaking, weren’t quite subsidiaries. If this is their idea of sunshine, I can see why a lot of people might want to step up the wattage in the workplace.

“This bill goes way beyond that. It gives the insurance commissioner the power to dictate the exact rates HMSA and every other insurance carrier can charge, and that, in my mind,

is a terrible idea. The insurance commissioner's in-house actuary said that every single insurance commissioner starts out (and where have we heard this before) as 'deer in the headlights.' The problem is that we've had a lot of turnovers in insurance commissioners. In fact, the actuary had worked for six of them in the last 16 years and we can expect a brand new commissioner this coming January when the Republican Governor is seated.

"Do we really want a series of deer caught in the headlights political appointees who are not required to have any actuarial or underwriting background deciding what rate insurance companies . . . even those that don't disclose things well and don't have sunshine?"

"You can try to excuse the inexcusable by calling it rate oversight and hoping people think that's only quasi rate setting, or that sometimes they're just interim rates even though there's no limit on how many months or years those interim rates can last, or that the permanent rate setting is justified because the insurance commissioner thinks the rates are just too high, just too low, too unfair, or that we can excuse those rates being set by a deer in the headlights because he or she will have employees, such as actuaries, giving advice to which they may listen to.

"These are all just excuses. The bottom line on this bill is that it gives unchecked power to set exact rates to someone who could be an unqualified, inexperienced appointee with a politically motivated agenda and no fiduciary duty to protect the policyholders who will suffer the consequences of uninformed decisions.

"I'll be voting 'no.' Thank you."

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against this bill also.

"What we really have to ask ourselves is, Why does the State of Hawaii have a monopoly in the health care industry? It is because of the policies that have been set forth in the past by this very body. I would hearken back to the words of the good Senator from Hawaii Kai regarding the prepaid health care act that is supposed to serve the people of Hawaii. Well, it's so bad that the State of Hawaii itself circumvents it and many businesses circumvent it. What it has done in the health care insurance industry is it's eliminated competition. Who wants to compete in an environment where you have a prepaid health care act that literally demands hemorrhaging of the fund in order to survive?

"HMSA has a monopoly because of this and other economic reasons. So what do we do? Rather than create an environment fertile for competition by eliminating the prepaid health act or amending it and creating other incentives for more people into the marketplace, we regulate the monopoly. Another monopoly we regulate so well is Hawaiian Electric, and it has resulted in us having electrical rates 75 percent above the national average.

"This bill is a bad step in the wrong direction and it does not address the underlying causes for monopolies and high costs of insurance in the State of Hawaii. Therefore, I would urge my Majority Party colleagues to start curing the disease rather than putting band-aids on the wounds.

"Thank you."

Senators Chumbley, English, Ige and Matsunaga requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3221 was adopted and H.B. No. 1761, H.D. 1, 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, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Chun).

Stand. Com. Rep. No. 3223 (H.B. No. 2258, H.D. 2, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 3223 be adopted and H.B. No. 2258, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Hogue rose in opposition to the measure and said:

"Mr. President, I once again rise to speak in opposition.

"In 1998 this esteemed body enacted Chapter 451 of the Hawaii Revised Statutes in order to license marriage and family therapists through the Department of Commerce and Consumer Affairs. Now, the Hawaii regulatory licensing reform act states that professions and vocations should be regulated only when necessary – only when necessary, colleagues – to protect the health, safety, and welfare of consumers. In assessing the need for regulation, evidence of abuses by providers of services must be given great weight and the costs and benefits of regulation must be considered.

"Well, the Office of the Auditor released a sunset evaluation report in January of this year relating to marriage and family therapy. The office found that regulation of marriage and family therapists is not warranted. There is little evidence of harm in Hawaii. Since the start of the regulatory program, DCCA has received, get this, colleagues, only one complaint against the marriage and family therapist. In fact, back in 1998 there was no empirical data to warrant regulation in the first place, simply hypotheticals. The Auditor also added that the benefits of regulation are uncertain. Consumer protections would exist without regulation. In addition, licensure fees do not support the program and anticipated cost savings and improved access to care through regulation have not materialized.

"If we are going to summarily dismiss such empirical data and continue an unnecessary and costly program, we might as well reform the entire Hawaii regulatory licensing reform act and sunset dates altogether and rely totally on the testimony of the concerned licensed professions.

"I'll be voting 'no.' Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3223 was adopted and H.B. No. 2258, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Chun, Kim).

H.B. No. 2413, H.D. 1, S.D. 1:

On motion by Senator Menor, seconded by Senator Matsunaga and carried, H.B. No. 2413, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Chun, Kim).

H.B. No. 57, H.D. 2:

Senator Kanno moved that H.B. No. 57, H.D. 2, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

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

"Mr. President, I rise in opposition.

"Related to agriculture . . . we have such a thriving agriculture industry for this product, Mr. President. The advocates of hemp research in Hawaii indicate that hemp has the potential to yield substantial economic benefits to our State. How can I agree with such potential with the viability of hemp? As a businessperson and a contractor, that potential industry can be very labor intensive. Can the labor costs in Hawaii compete with these other countries just as we have in our other labor intensive agriculture products, Mr. President?"

"China, one of the largest growers of hemp, I'm sure we can compete with them. People, resources, ability for an industry to startup . . . what is it, Mr. President? Is somebody giving us a snow job or what, Mr. President? I think you were at the hemp farm two years ago in Wahiawa, Mr. President. Certainly your community, yet we haven't heard if this is viable, Mr. President, yet we want to go another three years? I think we deserve the facts, Mr. President. It was privately funded and I know you're not going to pay for it. I don't want to pay for it. It's not clear who's going to pay for it. Extend it – who's paying and what's the agenda, Mr. President?"

"So I think we should know before we move ahead with this. It's sort of a red flag. Certainly the police department has testified against the measure because of potential drug problems. We all know we don't want to go through all of the deleterious effects of that, but I think it's the wrong signal.

"So Mr. President, I think we deserve to know more about it before we extend the time. Wahiawa, pineapple country would rather be the pineapple state. Some people are saying we're the hemp cultivation state – not yet and I hope not ever, Mr. President.

"Thank you."

Senator Hogue rose and said:

"Mr. President, point of inquiry.

"Were you or were you not at the hemp farm in question?" (Laughter.)

The President answered:

"I was present." (Laughter.)

Senator Kawamoto rose to speak against the measure and said:

"Mr. President, I had hoped that today I would have gone throughout the day without voting 'no' on one bill. (Laughter.)

"But, Mr. President, three years ago on this same bill . . ."

Senator Chumbley interjected:

"Mr. President, is the speaker speaking for or against the measure?"

Senator Kawamoto responded:

"I am speaking in strong opposition to this bill.

"Three years ago, my quote was 'a drug is a drug is a drug.' If it's an economic measure then this referral should have gone to EDT. It's not. Two years for research, three years for research . . . they want an extension for research. How long is it going to take them to research that a drug is a drug is a drug?"

"This liberalization of drugs in our State, that attitude, has cost the Big Island to turn away a helicopter and federal funds for green harvest operations. They've done indifference to the person in the other House. All her memos and all the information that has been passed out every day, still a drug is a drug is a drug.

"You cannot allow this to further be researched. They've had enough time to research, Mr. President. I request my colleagues to deep six this bill. Thank you."

Senator English rose in support of the measure and said:

"Mr. President, I rise in support of the measure. I wasn't going to speak on this but I really have to.

"Mr. President, there's a certain suit that I wear that's made out of hemp and raw silk and it's a wonderful, wonderful suit. I wear it, on occasion, to work. I'm almost afraid to wear it around Senator Kawamoto because he may try to smoke it. (Laughter.) In Hawaii . . . this is maybe for those of us in our mid-30s and under, that sort of grew up in a time when it was much more liberal here.

"Nonetheless, Mr. President, the pollen from this industrial hemp will destroy the marijuana crops. The cross-pollination will destroy the drug industry. So maybe, just maybe, this will help eradicate the marijuana problem and help to produce a good crop. It kind of bugs me, and perhaps maybe my generation, Mr. President, that the whole idea that hemp is marijuana, hemp is a drug, is erroneous. It's false. It's the same family as marijuana, but not the same.

"It produces the strongest rope in the world. The constitution is written on hemp paper. Our society used hemp up until World War II, I believe. We grew it in this country. It's a major export crop for many third-world countries that are emerging – former Soviet Republics, China, elsewhere. But let's not cross drug policy with the possibility, because the jury is still out on whether or not it's a good crop for Hawaii, but on the possibility of a good crop for Hawaii . . . a good crop to produce oil, to produce cloth, to produce paper. And the byproduct – the destruction of the drug marijuana by cross-pollination.

"So I just had to speak on this, Mr. President. I ask my colleagues to be reasonable. Understand that this may help our agricultural industry in Hawaii. Thank you."

Senator Slom rose in support of the measure and said:

"Mr. President, first of all, let me say I'm speaking in strong support of this measure.

"Let me say that I was with you and others, but to call that a farm where it is a concentration camp with barbed wire, dogs, armed guards, all because of those little plants that are about that high, I think is stretching the imagination.

"I heard the good Senator from Moanalua earlier today talking about his farm soliloquy. And he regaled us about the crops he was growing and about all of the manure that he was stepping around. (Laughter.) And I do recall that the good Senator from Moanalua just two years ago on this Senate Floor told me and told you that I was going to hell because I was supporting that industrial hemp bill, which was, I think, passed by a vote of 13 to 12. Well Senator, I can tell you I've gone to hell and in hell there was no industrial hemp. No industrial hemp has been arrested for rape, robbery, pillage, speeding, or shooting down helicopters in green harvest on the Big Island.

"I can also tell you that all the money that has gone into this project has come from private sector funding. I can tell you that the people from the University of Hawaii have been elated at the groundbreaking research they have been able to do under and despite tremendous odds against this crop. I can tell you that this is one of the few times I've been able to stand up and say, colleagues, this is the first time that Hawaii is really on the forefront of any economic innovation. We were the first state to allow this. But we've tried to cripple it from the very beginning.

"No one has asked for state funds or subsidies, no increase in taxes, no increases in fees. We have companies standing in line to buy commercially raised hemp from this state instead of buying it from communist China or from other sources. And it amazes me that people so use misinformation to try to attack this poor little plant that's growing up there in the hills and valleys of Wahiawa and in the upper regions of God's country. Yes, Senator, it is part of God's country where that hemp grows well. (Laughter.)

"But we are not allowed to let it grow. We are not allowed to let it reproduce. We're not allowed in any way to harvest it or do anything with it. So we have been the ones that have crippled this crop. Let it stand on its own and let's find out what it can really do because no one, no one, stood here and said it's going to be the panacea, or it's going to create thousands of jobs, or it's going to remake the western world as we've seen it. What we said was, give it an opportunity.

"We are not so blessed in Hawaii that we don't need to look at other private, competitive opportunities for products, services and labor. And so from that standpoint, it would be extremely shortsighted. And I wish some of this rhetoric would be used on the really bad bills, some of which we've already passed, some of which are still waiting in the wings, that cost our taxpayers money, that cost jobs in this community, that make people flee.

"Instead, let us all go up to God's country. Let us huddle around the concentration camp farm. Let us sing songs to the industrial hemp, and let it grow in peace.

"Thank you, Mr. President." (Laughter.)

Senator Sakamoto rose and said:

"Mr. President, a short response to the previous speaker . . . I guess the previous two speakers.

"I guess I misread the bill, Mr. President – Related to Agriculture. If indeed this is a sister to the other agriculture I didn't realize this plot was to experiment on how well we can

grow hemp in Hawaii conditions in the jailhouse that the previous speaker talked about because we can't really research it out in the hills of God's country and Maui and other places. So I guess I misinterpreted why the bill was here.

"But now that I understand, I think there is a viable product but it's not taxable, Mr. President. It's not legal, Mr. President. So the research is questionable. And I don't recall speaking about where the Senator from Hawaii Kai could go or where he said maybe he did go, but I pray he does go the other direction, Mr. President. I hope we all go the other direction. So, God bless him and God bless you." (Laughter.)

Senator Buen rose in opposition to the measure and stated:

"Mr. President, I rise in strong opposition to the bill.

"Three year ago I voted 'no' on the hemp bill and I will vote 'no' again today. The reasons I will vote 'no' are, first, economically the numbers do not add up. It's labor intensive to harvest the crop, thereby making the return on investment poor. We need large land masses to grow the crop and it sounds like the same speech that was given three years ago.

"In Hawaii, our valuable and limited amounts of ag lands can be used more profitably for other crops such as orchids, papayas, pineapple, corn, and so on. We don't want to fool the farmers to think that they can make a profit with hemp and have them take unnecessary financial risks.

"In Canada, farmers have lost hundreds of thousands of dollars because they have not found a sustainable market for their hemp crop. In 1999, hemp was grown in Canada using over 35,000 acres. I guess we heard that three years ago also. Well, today I think it's less than 3,000 acres.

"Second, the social problems dealing with hemp is too great. The U.S. Federal Government prohibits the unlicensed production of hemp.

"Third, Dr. West, who runs the project states in the fifth quarterly report that the mandate of Act 305 has been fulfilled. He found that hemp can be grown in Hawaii, will bear seed, and yield fiber in a short period of time, allowing multiple crops per year. If this is the case, Mr. President, then why do we want to continue the project? And who is paying for it? What is the real reason behind the project?

"I ask you to vote 'no' on this bill. Thank you."

The motion was put by the Chair and carried, H.B. No. 57, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Buen, Kawamoto, Matsuura, Nakata, Sakamoto). Excused, 1 (Chun).

H.B. No. 1012, S.D. 1:

Senator Kanno moved that H.B. No. 1012, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against this proposal.

"To make a long story short, this creates a double standard because it exempts Senators and Representatives currently in

office from having to be in the district prior to or when filing for office. This is unfair to those who may be desiring to run against an individual who likewise lives near that individual who would be forced to move also to run against that individual. So it is not equal protection under the law.

“Secondly, Mr. President, I don’t think it’s appropriate to be amending the constitution willy-nilly when what we really need in the State of Hawaii is a constitutional convention to correct some of the horrendous mistakes made in 1978.

“For this and other reasons, I am voting ‘no.’ Thank you.”

The motion was put by the Chair and carried, H.B. No. 1012, 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, 19. Noes, 3 (Hemmings, Hogue, Slom). Excused, 3 (Chun, Nakata, Sakamoto).

Stand. Com. Rep. No. 3233 (H.B. No. 2744, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3233 be adopted and H.B. No. 2744, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak against the measure and said:

“Mr. President, I rise to speak against this measure.

“I see the farmer from Moanalua has left. (Laughter.) I was hoping we could discuss this because here is a beautiful companion measure. Here is a bill, under agriculture, to spend \$200,000 of the taxpayer’s money (although right now we have a blank amount but we all know it’s \$200,000) to have a study to study how we can have the feasibility of creating a world-class farmer’s market in Hawaii – \$200,000.

“Well, first of all we’ve had farmer’s markets in Hawaii for about 30 years now. The farmers know how to have the markets. They can be even more successful if we reduce or cut taxes, regulations, and mandates on them. In addition to that, it seems surprising to me that every time we do anything where we’re appropriating new money, particularly for studies, it’s always for world class. It’s not for Wahiawa class or Hawaii Kai class; it’s always world class.

“So, \$200,000 . . . if we’re looking to cut the budget, if we’re looking to save money, if we’re looking to better appropriate money, \$200,000 can get a long way to providing either textbooks or open library hours rather than having a feasibility study on how to create a world-class farmer’s market.

“Thank you.”

Senator Kim rose to speak against the measure and said:

“Mr. President, I voted with reservations on this measure in Committee. I found that the agriculture agency or group received over \$1 million from the federal government for promotional and marketing for ag. In talking with the ag Chairman, we asked the ag people what have they done with those monies? And they had no plan. They were asking the community how do they want to spend the money.

“So I’m looking at this now and if they need money to study a world-class farmer’s market, then why aren’t they using that million-plus dollars they have that they have no plan for? So at this point in time, until they can tell us what they’re going to do with that money, I’m going to be voting ‘no’ on this.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3233 was adopted and H.B. No. 2744, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE FARMERS’ MARKET,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Kim, Slom). Excused, 2 (Chun, Nakata).

Stand. Com. Rep. No. 3235 (H.B. No. 2834, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3235 be adopted and H.B. No. 2834, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in opposition to the measure and said:

“Mr. President, I rise to speak in opposition.

“This bill will establish a pharmaceutical discount program for all state residents under which the state will obtain rebates on drugs that are offered at discounted prices for the program. The state would also provide reimbursement to participating pharmacies.

“The high price of prescription drugs certainly is one of the most difficult issues facing Hawaii residents and citizens across the country. However, this bill is not only costly, it’s not the way to go.

“An identical bill is currently under intense legal challenge at the United States Supreme Court as they are now deciding whether to hear the case. In fact, this bill was written word-for-word from the State of Maine bill that is currently before the Supreme Court. The bill was passed over two years ago and hasn’t helped one Maine resident yet.

“While I am certainly intrigued by bulk-buying opportunities, this bill goes too far and could potentially hurt Hawaii residents in the long run: (1) the bill would allow Hawaii to punish drug companies through price controls for those companies that do not ‘voluntarily’ lower their prices; and (2) it controls prices at the retail level by requiring pharmacists to lower prices and await state reimbursement. Any state budget cuts and reduced reimbursement rates could drive those companies out of business. In fact, many drugstores nationwide are debating whether to stop service to Medicaid patients entirely because states are cutting the amount they pay pharmacies for filling Medicaid prescriptions. Many primary care doctors are also considering the same option.

“Finally, in a conversation with a fellow State Senator from Maine, he advised that if this bill is passed, it would be a good idea to appropriate lots and lots of cash to the attorney general to fund the lawsuits to follow. He added that 10 northeastern states are also interested in this option. However, they are doing the smart thing and waiting for the Maine case to play itself out in court.

“Let’s also do the smart thing and vote ‘no’ during this time of legal and fiscal uncertainty. Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3235 was adopted and H.B. No. 2834, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Chun).

Stand. Com. Rep. No. 3237 (H.B. No. 1959, H.D. 1, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 3237 and H.B. No. 1959, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 3238 (H.B. No. 1969, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3238 be adopted and H.B. No. 1969, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Chumbley rose in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Here we go again, colleagues, the same bill is back. This is the lawyer's employment act of the year 2002. This will allow the Department of Education to appoint or retain lawyers by contract, independent of the attorney general, to provide legal services, representation for the department in civil actions or acts of omissions against its officers or employees, and to provide advice and assistance. Do we really want outside lawyers advising the Department of Education how to administrate and operate the Department of Education? The board can fix the compensation of the attorneys appointed, pursuant to this act, with no limit whatsoever.

"Page 2 of the bill allows for – nothing in this Section precludes the board from requesting and securing legal services from the attorney general. They want it both ways. Actually, I think I'm going to take the bar test and be the first to apply for the lawyer's employment act of the year 2002.

"I vote 'no.' Thank you."

Senator English rose to speak against the measure as follows:

"Mr. President, just to be consistent with my votes throughout in Education and in WAM and for the reasons stated by the previous speaker, I'm going to vote 'no' on this.

"I think that if we're going to have attorneys for different departments, we should reduce the amount of attorneys in the attorney general's office and give them over to the departments. So, I urge my colleagues to vote 'no.'

"Thank you."

Senator Sakamoto rose to support the measure as follows:

"Mr. President, I rise in support of the measure.

"In response to both colleagues from Maui, well, for one of them, firstly, perhaps some of the attorneys at the attorney general's office should be sitting in the Department of Education office and working for them. Currently, the Department of Education has to submit paperwork then wait . . . and nobody likes that.

"As displayed through the Felix consent decree investigative committee, it's imperative that there's access to, or hiring quickly, people who can deal with time-sensitive issues. This measure would allow more timeliness, more flexibility for the department, and with that efficiency, hopefully the process would be more quickly able to handle a lot of cases at hand. Certainly if there are existing attorneys in the AG's office that can do this, and there certainly are some, and whether they're up there in the AG's office, that doesn't help the department when they need someone right there – just as, here, Mr. President, you walk right over there or the Minority walks right over there and you have an answer. If we had to go to the AG's office, we'd be waiting.

"So, Mr. President, we want flexibility, timeliness, more autonomy for the department to do these things. Certainly it would help for a quality school system. This bill, by no means, says everybody should have an attorney, but certainly with the issues before the department, they ought to have ready access and be ready to do what they do at their call, not at the call of layers of bureaucracy at the AG's office.

"Thank you, Mr. President."

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against this legislation.

"Mr. President, colleagues, I don't have a hemp and silk suit, I happen to be a member of the poor man's party, the Republican Party, I wear cotton. But nevertheless, I have to agree with the good Senator from Maui and his fiscal responsibility. He recognizes how irresponsible this is financially to start loading up departments, especially, especially the Department of Education where a board of education leader once said that 'we spent \$1.2 billion. We're not sure how we spent it, but we're sure we spent it well.'

"The good Senator from Moanalua once said, 'you can't have it both ways.' Well, I would suggest to that good Senator, you can't pay both ways. If we're indeed going to employ attorneys in the Department of Education, then we should do a likewise similar cut in the Department of the Attorney General. We shouldn't be paying for it both ways and the good Senator from Maui was saying the fiscally responsible thing to do is not pay twice to have one job done.

"Thank you, Mr. President."

Senator Sakamoto rose again and said:

"Mr. President, just to clarify, the intention obviously is not to pay twice. So if that's an issue, certainly we don't want to pay twice."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3238 was adopted and H.B. No. 1969, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 5 (Chumbley, English, Hemmings, Hogue, Slom). Excused, 3 (Buen, Chun, Fukunaga).

Stand. Com. Rep. No. 3239 (H.B. No. 2163, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3239 was adopted and H.B. No. 2163, S.D. 2, entitled: "A BILL FOR AN ACT

RELATING TO REHIRING RETIRED TEACHERS IN THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 4 (Hemmings, Hogue, Ige, Slom). Excused, 3 (Buen, Chun, Fukunaga).

Stand. Com. Rep. No. 3241 (H.B. No. 2751, H.D. 1, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 3241 be adopted and H.B. No. 2751, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose to speak in support of the measure with reservations and said:

"Mr. President, I rise to speak in support of this measure with reservations.

"There were not many heroes that came out of the Felix investigation during last year's committee meetings. But one person who clearly fit that description was the auditor for the Department of Education. He, working by himself with no staff, no help, no support, uncovered many of the discrepancies that the committee had to dig for. He also gave testimony in a forthright manner.

"The problem was that under the existing law, he was to report to the superintendent of education and that's where the information went. Unfortunately, since the superintendent of education was implicated in the misuse of funds and contracts, it never went further. It did not go to the Board of Education, did not go to the Department of Education, and certainly did not go to the Legislature or to the public or the media.

"So, I certainly support not only that auditor and that auditing position, I would also support some staff for that position, not necessarily an additional three auditors. But I think that the more serious concern is we have to make sure where that information goes and who gets to see it, and it certainly should be the Legislature, as well as other departments and the Board of Education.

"Thank you."

Senator Sakamoto rose and said:

"Mr. President, just for clarification, the bill does say that the Department of Education shall also transmit a copy of any audits performed to the Legislature, so I'm in agreement with the previous speaker that we should benefit by this auditing as well."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3241 was adopted and H.B. No. 2751, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Buen, Chun, Taniguchi).

Stand. Com. Rep. No. 3242 (H.B. No. 2848, H.D. 1, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 3242 be adopted and H.B. No. 2848, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator English rose in opposition to the measure and said:

"Mr. President, I rise in opposition to the measure.

"As stated earlier, this measure combines two areas that I'm concerned with. The first is separation of church and state, really, for authorizing the use of SPRBs or special purpose revenue bonds for private schools and also for religious schools. Again, more importantly, Mr. President, this opens the doors very wide for the privatization of our public schools and I cannot support that. I ask my colleagues to consider this one very carefully.

"Thank you, Mr. President."

Senator Sakamoto rose in support of the measure as follows:

"Mr. President, I rise in support of this measure.

"As stated, this measure proposes constitutional amendments to authorize the use of special purpose revenue bonds by not-for-profit private schools, colleges, universities to finance construction and renovation of their educational facilities. These schools have been and will continue to be an integral part of the fabric of this State.

"Recently, due to the weakened economy, certainly this past decade, many have faced backlog of deferred maintenance, lack of necessary funding to meet whether it's ADA requirements, or technological upgrades.

"So colleagues, we have supported use of special purpose revenue bonds for everything from hospitals to independent private businesses. These schools serve our community at large. As a matter of fact, our private colleges currently provide the majority of public school teachers in our system. These schools deserve support.

"I do want to address some of the concerns as far as allowing special purpose revenue bonds. For one, this doesn't take away money from public schools and this measure doesn't, in any way, encourage privatization, so I'm not clear on that argument. Second, the AG's office indicated that this would be subject to constitutional scrutiny under the establishment clause in the first amendment of the U.S. Constitution. Existing rulings indicate that it's okay as long as the school is not pervasively sectarian. Therefore, with this knowledge, other states have successfully implemented special purpose revenue bonds to help their private sectarian and non-sectarian institutions.

"So colleagues, we've used these bonds to support private businesses, and certainly let us help support these private not-for-profit schools. Let the public decide by this proposed amendment if they support using it to help our private schools, colleges, and universities.

"Thank you, Mr. President."

Senators Hemmings and Chumbley requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3242 was adopted and H.B. No. 2848, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE VII, SECTION 12, AND ARTICLE X, SECTION 1, OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE STATE TO ISSUE SPECIAL PURPOSE REVENUE BONDS AND USE THE PROCEEDS FROM THE BONDS TO ASSIST NOT-FOR-PROFIT PRIVATE ELEMENTARY SCHOOLS, SECONDARY SCHOOLS, COLLEGES, AND

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

Ayes, 20. Noes, 2 (English, Nakata). Excused, 3 (Buen, Chun, Taniguchi).

Stand. Com. Rep. No. 3243 (H.B. No. 2449, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3243 be adopted and H.B. No. 2449, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I rise to support the bill with reservations.

“When this bill was passed in 1998 and became Act 168, it was hailed around the country as a model of small business legislation. Here we were in Hawaii, which has a reputation of being hostile to small business, and this Legislature managed to pass a really good bill and enact it into law. What it basically did was several things: it established a regulatory review panel; it established the Office of Small Business Defender; and it required that any new laws that had fiscal impact would also have to have an economic impact statement as to how they would impact small businesses.

“Well, what happened? After the local group of backers and supporters of this bill were recognized nationally and highlighted by the United States Business Administration and other states started copying us, we found out that the bill was not being implemented, that there were people that were dragging their feet. As a matter of fact, some of the original provisions have never been implemented. The bill and the Act were facing removal this year. That’s why there was a sunset date.

“There are many good features in this bill: the sunset date is being removed, the regulatory review and flexibility panel has been given, I think, more standing. But some of the original provisions of this bill, for example, the impact statement on how legislation would affect small business, that’s been deleted. The small business defender has been deleted. Nobody could decide where it should be placed – in the House or the Senate. The Governor said he would take it. I don’t know whether he’s going to put it in Washington Place or in his new residence but he would take it. In any event, this bill now deletes that.

“So, while it still maintains good features, I don’t want anybody to be misled. This is not the original legislation that was passed. This is not the legislation that people around the country saluted us for. Because like so many other things, we talk a good story, but when it comes to implementation and actually putting our money or our mouth where we say we believe in something, we haven’t done that, and that’s the case in this bill too.

“Thank you.”

Senator Tam rose to speak in favor of the measure as follows:

“Mr. President, I speak in favor of this bill.

“I want to emphasize that this bill embraces the partnership, a strong partnership, between the government and private sector. It provides the opportunity of communication for small business within government.

“Thank you.”

Senator Inouye rose with reservations and said:

“Mr. President, register a ‘W/R’ for me, please. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3243 was adopted and H.B. No. 2449, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO SMALL BUSINESS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3244 (H.B. No. 1858, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3244 be adopted and H.B. No. 1858, H.D. 2, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in opposition to the measure as follows:

“Mr. President, I rise to speak in opposition to this measure because it earmarks monies from the tobacco settlement fund.

“Mr. President, the original intent of the tobacco settlement monies was to create education programs about the harms of tobacco products. Since the reception of these monies, the tobacco fund has been used to support the emergency budget reserve, the university revenue undertakings fund, and a whopping 12 percent towards tobacco education.

“This bill continues to misuse the fund by allocating a blank amount to before-school, after-school, and weekend programs with no mention about tobacco education. I support before- and after-school and weekend programs for our youth, but I cannot support the continuing misuse of the tobacco settlement fund.

“For those reasons, I’ll be voting ‘no.’ Thank you.”

Senator Chun Oakland rose to speak in support of the measure and said:

“Mr. President, I speak in support of this measure.

“This measure would actually take a percentage of the emergency budget and a reserve portion of the tobacco settlement funds. Originally when we had passed this law a few years ago, we wanted to make sure that the majority, if not all, of the monies could go to health promotion. In the negotiations there was interest in actually establishing an emergency budget reserve fund, which is 40 percent, I believe, of the total tobacco settlement monies that we get every year for the next 25 years.

“The intent was to actually put more monies in health promotion kinds of activities, and I agree with the previous speaker that this is very important for our young people. So the part of the tobacco settlement fund that we are looking at is the emergency budget reserve portion, not the healthy Hawaii initiative portion which is 25 percent, not the 10 percent for the children’s health insurance program, nor the 25 percent that was originally earmarked for tobacco prevention programs.

“So, I fully support this measure and would urge everyone to support it. Thank you.”

Senator Sakamoto rose in support of the measure as follows:

“I rise in support, Mr. President.

"For those of you who drive by the schools in your district, when do they smoke? Before school, after school, on the weekend. If they play sports, are they smoking? If they're under supervision with a before-school, after-school or weekend program, are they smoking?"

"So my hope would be that although as Senator Chun Oakland wisely pointed out how the fund was partitioned, I believe we should do all we can to support before-school, after-school or weekend programs for one, the purpose of minimizing smoking, but generally to help our youth however we can with dollars that are available.

"Thank you, Mr. President."

Senator Hemmings rose in opposition as follows:

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

"Originally, I was going to sit on the sidelines and let this debate go on and just vote 'no' but it's really important to point out the reason why we have to take care of children before school, after school, and on weekends. That's because both parents in the State of Hawaii have to work, sometimes two, sometimes three jobs per household to make ends meet. And what they have to do is pay taxes.

"Statistically, when you take the average wage-earning household of Hawaii and the amount of taxes they pay, what you can see is that one of the parents is usually working just to pay taxes so they can have someone else take care of their child. It just doesn't add up financially

"The reason why family units are breaking down and the reason why a mother or a father is not home to take care of their children before school, after school, and on the weekends is because they're working to pay taxes for these insane programs where government is not only going to take your money to poorly educate your child, they're also going to raise it and they might even do the dental care on it too.

"So, can you see the foolhardiness of this all? You see what we're doing to our society? We're creating a society where government is going to be all things to all people, and it's going to take care of our children from the time they're born . . . by the way, they'll also take care of it, according to the next bill, when we bury our elderly, from cradle to grave. It just doesn't work, because ultimately, government does not make a good parent.

"The best thing we can do to take care of our children is allow the working men and women of Hawaii enough resources so they can take care of their own children.

"Thank you very much, Mr. President."

Senator Hogue rose again in opposition and said:

"Mr. President, I just want to emphasize that it does take a parent to raise a child, not a village and not a tobacco settlement fund . . ."

Senator Chumbley interjected:

"Mr. President, is the speaker speaking for or against the measure?"

Senator Hogue replied:

"I'm once again speaking in opposition, but I just wanted to make that point. Thank you very much."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3244 was adopted and H.B. No. 1858, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BEFORE-SCHOOL, AFTER-SCHOOL, AND WEEKEND PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 3 (Hemmings, Hogue, Slom). Excused, 4 (Buen, Chun, Ige, Ihara).

Stand. Com. Rep. No. 3245 (H.B. No. 2506, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3245 be adopted and H.B. No. 2506, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator English rose to speak in opposition and said:

"Mr. President, well, I can't support this bill. I rise in opposition to it.

"I'll be very short. I don't think that we should tax people to be buried. It's a difficult process enough, but to add a death registration/burial tax is just beyond me. I don't think that we can, in a compassionate society, do something like that, so I cannot support this.

"Thank you."

Senator Hogue rose to speak in opposition to the measure as follows:

"Mr. President, I rise to speak in opposition . . . that's opposition. I speak in opposition, opposition, opposition, all the way to the grave, Mr. President, where they will undoubtedly try to raise the fee on me.

"The last Senator was absolutely right. A grieving family member is already put into a very difficult position. To add a new fee on top of that is dastardly indeed, so I'll be voting 'no.'

"Thank you very much, Mr. President."

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against H.B. No. 2506, H.D. 1, S.D. 1.

"There's an old cliché about death and taxes and leave it up to the Majority Party to make one and the same. Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3245 was adopted and H.B. No. 2506, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VITAL STATISTICS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 7 (Chumbley, English, Fukunaga, Hemmings, Hogue, Matsunaga, Slom). Excused, 4 (Buen, Chun, Ige, Ihara).

At 4:43 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:02 o'clock p.m.

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

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

“Mr. President, many of you have been asking me why I went out for a 3½ hour break. I just want to let you know that I was fortunate enough to be invited to a luncheon by Admiral Blair at which time he presented me with this plaque. Basically, I want to share the plaque with you because I think all of the Senate deserves a part of this plaque because of the fact that you allowed me to handle the Military Affairs Committee and you allowed me to enter into quarantine arguments, Makua Valley arguments, many military affairs functions that we had that you allowed me to do.

“Basically, this is what it is. It says: ‘Presented to’ . . . and it should say all of the Senators, ‘by Admiral Dennis C. Blair, U.S. Navy, Commander in Chief, U.S. Pacific Command, for his strong support of the Armed Forces in Hawaii.’ So this is for all of you and you can come touch it in my office.

“Thank you very much.” (Laughter.)

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

“Mr. President, I’d like to add to the comments of the previous speaker because I think the United States military recognizes that they have a comrade-in-arms in the good Senator from God’s country.

“I think it’s important for the record to note that of all of us sitting here, there’s only two Senators who put themselves in harms way to defend this country. The Senator from Waipahu flew 251 combat missions in Vietnam and he, along with you, Mr. President, did much to defend this country. The military does not do it for pay or compensation but they do it for love of their fellow Americans, and for that we applaud you.

“Thank you.”

Stand. Com. Rep. No. 3248 (H.B. No. 1843, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3248 be adopted and H.B. No. 1843, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak in opposition as follows:

“Mr. President, I’ll be voting ‘no’ on this bill.

“This bill amends Act 253, the collective bargaining act, returning bargaining unit 9, registered professional nurses, in the area that is exempted from strikes and allows the resumption of binding arbitration. Therefore, I think it weakens Act 253 and I don’t think the nurses fall in the same category as police and fire.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3248 was adopted and H.B. No. 1843, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Hemmings, Slom). Excused, 3 (Buen, Chun, Menor).

Stand. Com. Rep. No. 3256 (H.B. No. 2764, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3256 be adopted and H.B. No. 2764, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition and stated:

“Mr. President, I rise in opposition to this bill as well.

“Several years ago when we substantially raised the conveyance tax and I opposed that, the reasoning was that we needed the conveyance tax to catch up on all of the work that was being done to modernize the computer system and to streamline and facilitate the transfer of real property. Now what we’re doing is taking \$1 million out of the conveyance tax fund and providing assistance for the homeless.

“While I certainly support assistance for the homeless, it should not come out of the conveyance tax or any other tax or fund that’s been earmarked for a specific purpose.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3256 was adopted and H.B. No. 2764, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CONVEYANCE TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Buen, Chun).

H.B. No. 2720, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 2720, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE USE TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

H.B. No. 2827, H.D. 1, S.D. 1:

Senator Taniguchi moved that H.B. No. 2827, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

At this time, Senator Kim requested a waiver of Senate Rule 53, which requires that floor amendments be presented to the Clerk no later than 9:00 a.m. on the session day at which a floor amendment is to be offered, and the Chair granted the waiver.

Senator Kim then offered the following amendment (Floor Amendment No. 7) to H.B. No. 2827, H.D. 1, S.D. 1:

SECTION 1. House Bill No. 2827, H.D. 1, S.D. 1, is amended as follows:

1. By amending Section 2 of the bill to read as follows:

“SECTION 2. Chapter 37, part III, Hawaii Revised Statutes, is amended by adding three new sections to be appropriately designated and to read as follows:

“~~§37-~~ **General funds encumbered for more than one fiscal year.** (a) **Encumbered general funds:**

(1) Determined by the department to be the excess difference between the actual cost of a project,

contract, or purchase, and the purpose for which the funds were originally encumbered; or

- (2) Not expended within the fiscal year succeeding the fiscal year of the original encumbrance on the purpose for which the funds were originally encumbered.

shall lapse into the general fund. The department shall include in its executive budget request, a detailed listing of all moneys subject to this section and the amounts lapsed into the general fund. This section shall not apply to funds encumbered by the department of education or for court imposed mandates.

(b) For the purposes of this section, "excess difference" means the amount of funds remaining from an original encumbrance of funds after the actual cost of the project, contract, or purchase has been subtracted.

§37- Criteria for the establishment and continuance of special funds. Special funds shall only be established pursuant to an act of the legislature. The legislature, in establishing or reviewing a special fund to determine whether it should be continued, shall ensure that the special fund:

- (1) Serves the purpose for which it was originally established;
- (2) Reflects a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process;
- (3) Provides an appropriate means of financing for the program or activity; and
- (4) Demonstrates the capacity to be financially self-sustaining.

§37- Criteria for the establishment and continuance of revolving funds. Revolving funds shall only be established pursuant to an act of the legislature. The legislature, in establishing or reviewing a revolving fund to determine whether it should be continued, shall ensure that the revolving fund:

- (1) Serves the purpose for which it was originally established;
- (2) Reflects a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process;
- (3) Provides an appropriate means of financing for the program or activity; and
- (4) Demonstrates the capacity to be financially self-sustaining."

2. By amending Section 61 of the bill to read as follows:

"SECTION 61. This Act shall take effect on July 1, 2050."

Senator Kim moved that Floor Amendment No. 7 be adopted, seconded by Senator Inouye.

Senator Kim noted:

"Mr. President, the purpose of this floor amendment is to provide for an alternative to transferring the hurricane relief fund monies to the general fund. After much research, we have found that certain general fund monies appropriated for a variety of service contracts in previous fiscal years continue to be encumbered for a time beyond the scope of the original contracts. Moreover, some contracts are often awarded at a cost lower than the original encumbrance. In some instances, the final payment due the contractor is forfeited due to that contractor's inability to secure a tax clearance. As a result,

these prior year accounts contain cash balances that remain active because the accounts are never closed.

"These general fund accounts stretch far back to 1987. From 1987 through 2000, the total still residing in these accounts amounts to over \$20 million. There are currently over \$180 in unliquidated encumbrances in the 2001 accounts. In June, executive departments traditionally expend all remaining general funds to avoid having to lapse general fund dollars at the end of the fiscal year. Perhaps as much as 50 percent of these funds could be made available to provide fiscal relief. Many of these accounts may be wholly or partially lapsed into the general fund. Discussions with the Department of Accounting and General Services indicate that there may be sufficient monies available to replace the partial use of the Hurricane Relief Fund.

"To facilitate the use of these funds, one purpose of the floor amendment is to lapse general fund monies that are:

- (1) Determined by the Department of Budget and Finance to be the excess difference between the actual cost of a project, contract, or purchase, and the purpose for which the funds were originally encumbered; or
- (2) Not expended within the fiscal year succeeding the fiscal year of the original encumbrance on the purpose for which the funds were originally encumbered.

"The Department of Budget and Finance must include in its executive budget request, a detailed listing of all monies lapsed into the general fund. The floor amendment, however, does not apply to funds encumbered by the Department of Education or for court imposed mandates such as the Felix consent decree.

"Mr. President, the floor amendment also states that special and revolving funds shall only be established pursuant to an act of the Legislature. It establishes certain criteria to be followed in creating or reviewing a special or revolving fund as follows:

- (1) The fund must serve the purpose for which it was originally established;
- (2) It must reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process;
- (3) Provide an appropriate means of financing for the program or activity; and
- (4) Demonstrate the capacity to be financially self-sustaining.

"Finally, the floor amendment also includes a defective effective date to encourage further discussion on this issue. Thank you."

Senator Hemmings rose to speak in favor and said:

"Mr. President, I rise to speak in favor of the amendment.

"Mr. President, there's an old adage 'where there is a will, there is a way,' and I want to laud the Majority Party. We've had much open discussion on the budget earlier today. We made a dramatic decision not to raid the hurricane relief fund in order to balance the budget. Now, miraculously, we are finding money in existing revenues to help make up the difference for the revenue shortfall.

"I would submit to my Majority Party colleagues that if we have the will to pursue cutting budgets; to listen to the Auditor on their waste and inefficiencies of agencies; to listen to the

auditor about moneys that could be found through funds that have not been adequately collected by the different departments that are always asking for more money from the taxpayers that we indeed can pursue balancing the budget without increasing taxes or fees on the taxpayers of Hawaii.

“This initiative is a breath of fresh air and I laud the Majority Party for it. Thank you, Mr. President.”

The motion to adopt Floor Amendment No. 7 was put by the Chair and carried.

By unanimous consent, H.B. No. 2827, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE STATE FINANCES,” was placed on the calendar for Third Reading on Thursday, April 11, 2002.

H.B. No. 2440, H.D. 1, S.D. 1:

On motion by Senator Matsuura, seconded by Senator Kanno and carried, H.B. No. 2440, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHAPTER 846E, HAWAII REVISED STATUTES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3262 (H.B. No. 703, H.D. 1, S.D. 2):

Senator Kanno moved that Stand. Com. Rep. No. 3262 be adopted and H.B. No. 703, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Hogue rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this bill, with reservations.

“Colleagues, there is a little problem on page 6, of this bill, line 1. The bill says the following about dispensing Schedule 2 or controlled substances, quote: ‘Any physician who fails to deliver a written prescription within the seventy-two hour period shall be in violation of section 329-41(a)(1).’ That means if a physician gives an oral prescription in an emergency and then through an innocent mistake or some other mitigating circumstance files a required written prescription, say, 73 or more hours later, the physician is guilty of a Class C felony.

“This penalty obviously goes way too far. This bill creates a felony without requiring proof of any criminal intent. If it isn’t fixed in Conference Committee I’ll be voting ‘no’ at that time.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3262 was adopted and H.B. No. 703, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3263 (H.B. No. 1901, H.D. 2, S.D. 1):

Senator Kanno moved that Stand. Com. Rep. No. 3263 be adopted and H.B. No. 1901, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Hogue rose in opposition to the measure as follows:

“Mr. President, I rise to speak in opposition to this measure.

“This bill, colleagues, is well intended because it tries to help the victim of a sexual assault by mandating that the alleged perpetrator take an HIV test. And that’s where the potential new law really gets into trouble.

“First, how can you justify that a person charged for a crime be treated the same as a person convicted of a crime? Isn’t our justice system based on the notion that you’re innocent until proven guilty?”

“Second, under this bill the court could order an HIV test for a person charged with sexual assault by showing probable cause on preponderance of the evidence. I’m not an attorney or judge, but how in the world are you going to decide that there is evidence of HIV transmission and therefore a blood test must be ordered.

“Third, and this is on a medical basis rather than a legal basis, there’s no point to this extra test. A blood test of the alleged perpetrator doesn’t necessarily determine anything. If the alleged perpetrator contracted HIV, say, a week or so before committing the sexual assault crime, that fact might not show up in a blood test for six months.

“Fourth, under current medical practice, any victim of sexual assault is constantly evaluated and monitored to through the six-month HIV incubation stage. Thus, this bill is essentially unnecessary.

“For these reasons, I urge all of you to vote ‘no.’ Thank you, Mr. President.”

Senator Chumbley rose to speak in opposition to the measure as follows:

“Mr. President, I rise to speak in opposition to this measure.

“Let’s be honest about what this is, colleagues. This is about getting some federal money. This is not about helping the victim. If a victim has been sexually assaulted, that victim should immediately go seek help and get testing, and there’s medical remedies that that victim can immediately undertake. If we have to go through a process where an individual is charged and then the judge is going to determine if that perpetrator, in fact, should be tested for HIV, days if not weeks have gone by and it’s too late for the victim.

“So let’s be honest about what this is about. This is about getting federal money, and that’s all it is. It’s gong to do nothing to help the victim. I urge you to vote ‘no’ on this measure.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3263 was adopted and H.B. No. 1901, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HIV TESTING FOR SEXUAL OFFENSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 9 (Chumbley, English, Fukunaga, Hemmings, Hogue, Ige, Ihara, Inouye, Slom). Excused, 2 (Buen, Chun).

H.B. No. 2300, H.D. 2, S.D. 1:

Senator Kanno moved that H.B. No. 2300, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Taniguchi rose and said:

“Mr. President, I have some comments I’d like inserted into the Journal in support of the bill.”

The Chair having so ordered, Senator Taniguchi’s remarks read as follows:

“Mr. President, I rise to speak in favor of this measure.

“First I would like to thank Chief Justice Moon and his administration for not only preparing a very responsible budget request, but for being responsive to all of the questions the Committee on Ways and Means and Judiciary has had over the last three months. I also would like to thank the Judiciary for providing a somewhat thankless, but very critical service to our community. In my view, the Judiciary has done an outstanding job in providing a continually improving service amid rising costs and budget cuts. In this budget request, it also made a good case for providing additional funding for a very important government function.

“However, as we all know, due to the sudden economic downturn subsequent to 9/11, the State faces a tremendous shortfall of revenue. And while we are currently debating the most prudent methods of balancing our state’s financial plan, I believe it is best that we try to not only keep the Judiciary’s budget intact, but to try and also provide them with some much needed additional funding.

“The Judiciary’s initial supplemental request was for an increase of approximately \$2.7 million in general funds for various operating expenses. After careful review, I will recommend that we approve roughly \$500,000 of that request. Again, at this time I believe that the Judiciary’s budget should remain intact as much as possible and will therefore not recommend any cuts to their base budget. With the addition of the \$500,000, their base budget will total approximately \$100 million.

“Furthermore, of the Judiciary’s initial request of \$72.8 million in GO bond funded CIP projects, this budget approves \$24.6 million dollars of that amount. This includes funding for the Children’s Justice Center at \$3.5 million and the Hilo Courthouse at \$20 million.

“As I’ve mentioned previously, I would like to caution members of both Committees that the draft of this budget is very fluid. As you know, we have many critical proposals before us that are integral to the financial plan. Cuts to this budget and the executive’s may become necessary if we do not do anything to increase our revenues.

“At this time, I would like to urge my colleagues to vote ‘aye’ on this bill.”

Senator Slom requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 2300, H.D. 2, 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, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3272 (H.B. No. 683, H.D. 2):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Stand. Com. Rep. No. 3272 was adopted and H.B.

No. 683, H.D. 2, entitled: “A BILL FOR AN ACT RELATING TO STATE PARKS PENALTIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3273 (H.B. No. 1716, H.D. 1, S.D. 1):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Stand. Com. Rep. No. 3273 was adopted and H.B. No. 1716, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3274 (H.B. No. 2207, H.D. 1, S.D. 2):

Senator Kanno moved that Stand. Com. Rep. No. 3274 be adopted and H.B. No. 2207, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Hogue rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this bill, with reservations.

“Colleagues, on pages 3, 4 and 5 of this bill, the bill gives civil immunity to persons reporting insurance fraud ‘except if the person has acted with malice or committed perjury.’ Now this seems okay except that the bill then gives the definition of malice and it uses this definition: ‘having actual knowledge regarding the falsity of any information being provided under this section.’ Now that doesn’t match either the average person’s perception or the common law crime’s idea of malice.

“Let’s tighten up the definition of malice in this Conference Committee bill so it means what it ought to mean – an intent to harm someone.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3274 was adopted and H.B. No. 2207, H.D. 1, S.D. 2, 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, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3275 (H.B. No. 2232, H.D. 1):

Senator Kanno moved that Stand. Com. Rep. No. 3275 be adopted and H.B. No. 2232, H.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Sakamoto rose in opposition to the measure and said:

“Mr. President, I rise in opposition to this measure.

“I understand the need to strengthen the whistleblower’s protection act and I agree that employees do need to report violations without fear of retaliation. But, if the bottom is to resolve the problem at hand and to make the working conditions better, then lengthening the statute of limitations from 90 days to two years isn’t the way we should go. As an employer, I think 90 days is too long.

"If there is a problem that exists in the workplace, it should be resolved as soon as possible. And certainly, if this statute of limitation is extended to two years, it might encourage people to wait and wait and procrastinate before taking action on the issue. Employers want to take action. I believe the people who are aware of any problem should report it immediately.

"So Mr. President, shorter time would be actually better to provide prompt notice to employers and quicker resolution."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3275 was adopted and H.B. No. 2232, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WHISTLEBLOWERS' PROTECTION ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Sakamoto, Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3277 (H.B. No. 2521, H.D. 2, S.D. 2):

Senator Kanno moved that Stand. Com. Rep. No. 3277 be adopted and H.B. No. 2521, H.D. 2, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"Certainly we all want to be protected during times of medical emergencies and disease and so forth. We want to control it. But what this bill does is give a great deal of power to the Department of Health. It also provides excessive immunity for government employees. There are additional costs that would be involved in these procedures, and I don't think there is adequate public information or public knowledge for the decision making process.

"Thank you."

Senator Hemmings rose in opposition to the measure and said:

"I rise to speak against this measure, Mr. President.

"If we gave a similar waiver of liability to the good doctors who serve everyday, day in and day out, on medical care who are being put out of business because of malpractice insurance, the cost of medical service in the State of Hawaii, or the nation for that matter, would go down dramatically. High cost of medical services due to liability, we recognize it by giving waivers of liability for certain government employees but we don't give it to the people on the front lines that are serving the medically needy in our country.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3277 was adopted and H.B. No. 2521, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROL OF DISEASE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3279 (H.B. No. 2002, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3279 was adopted

and H.B. No. 2002, 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, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3280 (H.B. No. 2176, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3280 was adopted and H.B. No. 2176, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL MARKETING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3281 (H.B. No. 2525, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3281 was adopted and H.B. No. 2525, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS PROJECTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3282 (H.B. No. 1950, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3282 be adopted and H.B. No. 1950, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in favor of this bill, with reservations.

"Mr. President, this bill establishes a Medicaid prescription drug expansion program to offer discounted prescription drugs to qualified residents whose income is below 300 percent of the federal poverty level. I support the intent of this specific bill, however, I feel that under the current language it has a Cadillac of a body with a Pinto engine.

"This bill is also patterned, almost word for word, after a State of Maine bill. The healthy Maine prescription program is the result of a Medicaid waiver that was granted in the final days of the Clinton administration. This Hawaii bill goes in the correct direction but what it omits deserves to be addressed.

"The program is very successful in Maine. During the first year of this program in Maine, they filled 700,000 more prescriptions while cutting \$15 million from its Medicaid budget, or 50 percent more than expected. These numbers were achieved by instituting a strict prior authorization process for prescriptions. Such a stipulation is imperative for this program to be effective. However, it is not in the Hawaii bill.

"The Department of Human Services will tell you that prior authorization is already practiced in our Medicaid program, however, in practice it is ineffective here and it is sorely lacking strict oversight.

"One example from Maine will prove my point. Maine spent \$8 million on the drug Prilosec in 2000. You may know it as

the 'purple pill,' at least some folks do. The generic equivalent cost the State \$7 million in 2001, but the State filled twice as many prescriptions. Additionally, Maine's program does not allow any person with full Medicaid coverage to be eligible for the program, whereas our bill provides coverage for all residents under 300 percent of the federal poverty level.

"I hope these points are strongly considered during Conference Committee. Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3282 was adopted and H.B. No. 1950, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3283 (H.B. No. 2741, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3283 be adopted and H.B. No. 2741, H.D. 2, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Tam rose to speak against the measure as follows:

"Mr. President, I stand to vote against H.B. No. 2741, H.D. 2, S.D. 2.

"This bill is relating to tobacco and cigarette tax, and I'm voting against it based on the reason of principle. My reasons are as follows:

- (1) Any form of taxation is not a good way of balancing of our state budget. This tax is regressive towards businesses which are providing Hawaii's economy with the stimulus and stability it now needs and in the future. In economics, stimulating businesses, whereby they increase their revenues, will equate to increased tax revenues for the State as well. The Legislature and the Governor should provide a concrete foundation for legislation to stabilize and stimulate our economy – such as short-term tax incentives and the positive marketing of Hawaii's unique products and services. A partnership needs to be formulated between the state government and the private business sector.
- (2) I am not convinced that our State's financial condition warrants more taxation until I see an external financial audit of the overall state of Hawaii. In the 20 years I've been here, I have continuously asked for external financial audits. We have too long depended on the word of our past and present governors and their administrations to tell us the condition of our State of Hawaii. The governors and their administrations tell us what they want to tell us and expect us to search endlessly to verify their financial information without any in depth access to the accounting books of the State of Hawaii. I want direct access to the State's books through the use of direct on-line technology. As Chairman of the Committee on Economic Development and Technology, I know the capability is available at this time. For years the administration has opposed this technology access. Thus, the question is 'What is the administration hiding from us?' On behalf of my constituents, who are the stockholders of this State, I want this direct access and an external financial audit.
- (3) For years the Governor of the State has restricted the funds for public services and public projects. Although

the Legislature and the Governor, himself, had signed the budget into law, the question is, What has happened to all the funds that have been restricted? I want accountability of these funds.

"I encourage the Governor and the future governors of the State of Hawaii to conduct informational public hearings in order to be more accountable to the taxpayers and citizens of the State of Hawaii. In fact, if I may emphasize, the former governors and present governor continuously refuse to hold informational public hearings to inform the public of what they're doing.

"For me, the issue is not whether I favor a sin tax, but whether I favor increasing taxes before gaining accountability information from this governor and future governors of the State of Hawaii. Also as a former budget analyst in the State of Hawaii government and also in the private sector, my mind focuses on accurate information. I was not elected to be a rubber stamp to this tax increase proposal by our current governor.

"For the record and for the reasons stated above, I cast my 'no' vote on this third reading of this House of Representative's bill.

"Thank you."

Senator Ihara rose and said:

"Mr. President, I have reservations on this bill."

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3283 was adopted and H.B. No. 2741, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CIGARETTE AND TOBACCO TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 8 (Chumbley, Fukunaga, Hemmings, Hogue, Ige, Matsunaga, Slom, Tam). Excused, 2 (Buen, Chun).

H.B. No. 2381, H.D. 1, S.D. 1:

Senator Taniguchi moved that H.B. No. 2381, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure as follows:

"Mr. President, I rise in opposition to this bill.

"Well, we've come full circle on this liquor tax increase. First of all, the Tax Department and the administration had proposed changing the basis for taxation from gallonage to ad valorem, and then they were going to increase the tax by 100 percent. We had owners of the two small locally grown vineyards from the Island of Maui and the Big Island come and tell us that that tax would put them out of business. Then we reduced the tax to 50 percent, and then we learned that probably that would only partially cripple our industry, put people out of employment and so forth. And now we're coming back again for the third round of 'Let's make a deal,' and it's only a 25 percent increase. Of course, it's only 25 percent until we get to Conference or until the final bill comes out.

"We know that the object is clear. The object is to raise the liquor tax on the nation's highest liquor tax right now. We want to raise it on the processors, the manufacturers, the retailers, and

ultimately the consumers, because anyone who buys any adult beverages also pays the general excise tax. So this bill will hurt consumers. It will hurt those in the business and industry. It will hurt employees, and it will hurt those people that, just after a long session like this, really need to relax and have a cold one. (Laughter.)

“There’s no justification for this increase, and those of you that think you’re getting by because it’s only 25 percent, it’s only 25 percent this afternoon. It’s going to be more, you know, when we go into Conference.

“So please, colleagues, listen to our good colleague who just told us about his legislative analyst experience and about the need for looking at the state revenues and examining all this. Examine your conscience, and vote ‘no’ on this bill.

“Thank you.”

Senator Kawamoto rose in opposition also and said:

“Mr. President, I rise in opposition to this bill.

“Mr. President, I went ‘W/R’ in the Committee. I offer the settlements of the gasoline settlement as part of the revenue sharing of this bill. We’re talking about \$10 million. I think we can stand taking \$10 million from the settlements of the gasoline tax, therefore, I vote ‘no’ on this bill.

“Thank you.”

Senator Tam rose to speak in opposition to the measure as follows:

“Mr. President, I stand to speak in opposition to this bill.

“Like the previous bill, I stated my various reasons and would like to add those same exact reasons as why I’m voting ‘no.’

“Thank you.”

Senator Menor rose and said:

“Could the Clerk note a vote of being in favor but with reservations.”

The Chair so ordered.

Senator English requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was then put by the Chair, H.B. No. 2381, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, failed to pass Third Reading on the following showing of Ayes and Noes:

Ayes, 11. Noes, 12 (Chumbley, Fukunaga, Hemmings, Hogue, Ige, Ihara, Inouye, Kawamoto, Kim, Matsunaga, Slom, Tam). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3285 (H.B. No. 1357, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3285 was adopted and H.B. No. 1357, H.D. 1, 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, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3289 (H.B. No. 2752, H.D. 1, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 3289 be adopted and H.B. No. 2752, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Hogue rose in opposition to the measure and said:

“Mr. President, I rise to speak in opposition to this bill.

“Colleagues, you may have seen a story about this problem a few nights ago on the nightly news. It seems that many former university students have failed to pay off their student loans, some even owe amounts well over \$100,000 and have been in default for years. That’s obviously bad, but this bill goes beyond attempts by a collection agency or other reasonable ways to get the money back, and offers up to Draconian solution of a mandatory suspension of one’s professional license.

“First, colleagues, professional licenses are property rights. You can’t take away a person’s property without a notice or a hearing, but this bill purports to do just that.

“Second, this bill might be in conflict with the equal protection provision of the Constitution. You can’t treat license holders in default differently than non-licensed holders in default.

“Finally, this measure doesn’t pass the common sense test. If you take away a doctor’s license or an attorney’s license or an architect’s license, we might have one less evil doctor or one less evil attorney, or one less evil architect, but how in the world are they going to be able to make income so they can pay off their student loan. There has to be a better way, and I’ll vote ‘no.’

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3289 was adopted and H.B. No. 2752, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3290 (H.B. No. 1684, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3290 was adopted and H.B. No. 1684, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO STATE AND LOCAL TAXATION OF MOBILE TELECOMMUNICATIONS SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3291 (H.B. No. 2165, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 3291 be adopted and H.B. No. 2165, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I support the bill with reservations.

“I think the hearings show that there certainly is a need for Braille information educational materials but I think there was concern, particularly in the Ways and Means Committee, about the cost that was involved, whether or not we can truly force manufacturers to put their materials on CD and make it compatible for Braille.

“There was also some vagueness in the bill as to whether or not we’re talking about textbooks, all education materials, all materials for every student, whether or not we’re going to use Braille as well as translating it into Hawaiian. There were some other questions about the fines imposed.

“So I think the idea and the object of the bill certainly to make more people independent is a good one, but I think we should be very careful and explore some of the vagaries a little bit in more detail.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3291 was adopted and H.B. No. 2165, H.D. 1, 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, 23. Noes, none. Excused, 2 (Buen, Chun).

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

On motion by Senator Menor, seconded by Senator Matsuura and carried, H.B. No. 2065, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO NURSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Chumbley, Hemmings, Hogue, Slom). Excused, 2 (Buen, Chun).

Stand. Com. Rep. No. 3298 (H.B. No. 2351, H.D. 1, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 3298 be adopted and H.B. No. 2351, H.D. 1, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hanabusa.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I support the bill with reservations.

“I think we’re all enthusiastic about having more public access television, particularly if we can expand the television so that particularly people in rural areas and neighbor islands have an opportunity to see instantaneously what we’re doing. We’re also working in the Internet in that direction. But there have been some questions in terms of who gets on public access television; who does the scheduling; how fair it is to opposition views. And I think there are enough questions raised that I have reservations with this bill.

“Thank you.”

Senator English rose in support of the measure as follows:

“Mr. President, I rise in support.

“Mr. President, I guess there is general misunderstanding with cable access carriers. It’s set up by federal mandate. They don’t screen for content; they don’t screen for one side or the other. In effect, if you bring in a tape that meets their standard format or their viewing format, they will air it no matter what it is, and that’s the mandate. So it isn’t a thing about sides or who controls what gets on or how it goes on.

“The issue that this bill addresses is one that government imposes. DCCA used to confirm the members’ appointment to the boards. And then they sent out an order about a year-and-a-half ago saying, ‘We don’t want to do this anymore. You guys change your bylaws so that we don’t have to confirm.’ Maui did this and others did not. And then, DCCA mysteriously said, ‘We want that authority back. So now you change your bylaws again so that we can confirm your people on your board.’ The end result is, well, you know, they’ve already changed their bylaws. They’ve already done it. They’re an independent organization. So here we are.

“Mr. President, I think that we have to be very clear that while we all want cable access TV and it is a good product and it’s something that helps democracy and helps our population, we have to be very clear that when we intervene in the governing process of these bodies and go back and forth on how they should be governed, whether or not they’re subject to sunshine laws or not, it creates havoc for them. We are obliged to give them a dedicated source of funding that comes from the cable franchise fees. That should be guaranteed to them. We should stay out of their management, their boards, and we should not make them subject to sunshine law.

“There’s still a question somewhere in here about the way it’s worded as opposed to its intent. I know the intent is to say that they are not subject to sunshine laws, but the wording may indeed keep them tied to it.

“So I hope it’s cleaned up in Committee should it go to Conference, but I urge my members to support this.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3298 was adopted and H.B. No. 2351, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC ACCESS CABLE TELEVISION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Buen, Chun, Taniguchi).

H.B. No. 2642, H.D. 2, S.D. 1:

On motion by Senator Menor, seconded by Senator Kanno and carried, H.B. No. 2642, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII HOME LOAN PROTECTION ACT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Buen, Chun, Taniguchi).

H.B. No. 2245, H.D. 1, S.D. 1:

Senator Menor moved that H.B. No. 2245, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsunaga.

Senator Hogue rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in favor of this bill with very strong reservations.

"This bill, depending on which lawyer argues the merits or lack thereof, may violate the contracts clause of the U.S. Constitution, as well as the takings clause and the due process clause. Basically, this bill will invalidate valid contracts voluntarily entered into by both parties. This bill is also one-sided since it allows lessees to get a one-time lease rate adjustment, but does not grant that same favor to lessors. So why am I going 'W/R' despite all these problems? I keep asking myself that question.

"Well, one reason is because the leases in question have a contract provision that prohibits any downward adjustment whatsoever of lease rents. People got stuck with inflated land valuations that were brought on by the speculative real estate bubble market of the late '80s and early '90s. But even though land prices have dropped to more realistic levels because of this standard contract provision I mentioned, lessees are forced to keep paying those incredibly inflated prices forever, and ever, and ever, and it never goes down. Some of these people are losing their businesses because of this. Some of them may even lose their homes

"While the good Chair of the CPH Committee has asked for an attorney general's opinion, and I appreciate that, I hope we get this opinion before Conference Committee is over so we can once and for all decide whether this is constitutional or not.

"Thank you very much, Mr. President."

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

"Mr. President, I rise in opposition to the measure.

"Mr. President, I want to applaud the previous speaker because he points out all the reasons why we shouldn't pass this bill. In fact, there was a previous speaker that requested that the bill be reconsidered in Committee. It was dead. We're into CPR in CPH, so we resuscitated the bill and here it is.

"Quite simply, Mr. President, government intervention in private contracts is something we should not do lightly. And that's what this does. The way the situation is with these private landowners, Mr. President, well, you know what, they entered into a lease fully knowing what the lease said. It's like me leasing out a piece of property and having someone come back and say, 'You know, I've had all the use of it, but I really want to change the terms. I'm going to get the government to change the terms for me because I don't like the terms of the lease.' It's not fair.

"I urge my colleagues to vote this measure down. Thank you."

Senator Slom rose in support of the measure with reservations and stated:

"Mr. President, I rise in support of the measure with reservations.

"Boy, I wish we lived in a perfect world or a perfect Senate, where all of the statements made by my colleagues could be reviewed and, I guess, regurgitated so that we would be very consistent in whether we want government intervention or not. My choice, of course, is not to have any government intervention. Unfortunately, we do. We have it on a number of fronts including forced compulsory lease-to-fee conversion. And we've talked today about rate regulations. We talked

about the government taking over various programs. And we talked about people that should know better, but because some of them don't, we want the government to be involved.

"Because of this and because of the fine resuscitation arguments made by my colleague from Kaneohe, I will vote to keep the bill alive with reservations because I know that in Conference Committee all of this clean-up will be done. And if we can't get one of the deputy attorney generals (I guess the latest count is down to 138) then of course maybe we can authorize the expenditure for another attorney for ourselves to solve this weighty problem.

"Thank you."

Senator Chun Oakland rose in support of the measure and said:

"Mr. President, I rise to speak in support of this measure.

"This is a bill that will greatly help support many businesses in our State. The Japanese 'bubble' valuations in the mid-1980s established lease rents that are unjustified under current market conditions. Yet, many lease agreements have language that does not allow rent readjustments below these inflated amounts upon renegotiation. This practice has been devastating to business and residential lessees, more so since September 11 when commercial activity has suffered a downturn and people have lost their jobs.

"Commercial lessees with long-term commitments who have had to pay increased lease rents have suffered from reduced profits and, in some cases, negative cash flows. Those who have been unable to pay rent increases or pass them on to sub-lessees have had to move out, losing investments in improvements, facilities, and equipment. Unable to sell or finance their businesses, lessees have undergone mortgage foreclosures and bankruptcies.

"This measure mandates a one-time rent adjustment for leases renegotiated after January 1, 1990, that applies prospectively. This one-time adjustment serves as a significant and legitimate public purpose supported by the measure's substantial purpose section which contains legislative findings relating to Hawaii's leasehold system, the effective international investment in the 1980s in raising real property values, the difficulties faced by the buyers and sellers of real property due to these artificially high values, and the adverse impacts of unreasonable lease rents in Hawaii's economy and on its residents.

"I support this measure and urge my colleagues to support it as well. Thank you."

Senator Matsunaga rose in support of the measure with reservations and stated:

"Mr. President, I rise in support of this measure, with reservations.

"Mr. President, in the past I've voted against this measure. This measure has been around for a few years. If at first you don't succeed, then skydiving is not for you.

"Mr. President, I'd like the words of the good Senator from Kaneohe inserted into the Journal as if they were my own. I, too, eagerly await the attorney general's opinion.

"Thank you."

Senators Hemmings and Kim requested their votes be cast "aye, with reservations," and the Chair so ordered.

Senator Chumbley rose in opposition to the measure as follows:

"Mr. President, I rise to speak in opposition to this measure.

"Colleagues, this measure is more than just a private industry issue. This measure is also going to affect our state budget. We are in receipt of a letter dated April 4 from Ms. Miyashiro, from HCDCH, and if you're not aware of it, HCDCH does lease commercial property and this measure will have an effect on the revenues that are received from those properties. So in addition to the impact to the private sector, it will affect our state budget.

"I just do not believe that this rises to the level of a significant public purpose for the intrusion of government into private contracts between parties. Fair market value, FMV, is a contractual issue. It's not an issue for us to set public policy on here on this Senate Floor.

"This measure has been vetoed in the past by the Governor and will continue to be vetoed by him in the future. My prediction is that it won't even pass the Legislature. But if by chance it does, take into consideration what it's going to cost all of those lessees who, when this is litigated and it goes on for years and years, it's going to cost hundreds of thousands of dollars in fees and costs that those individuals could have used to market and promote their businesses instead of defending a law that is clearly unconstitutional.

"I urge you to vote 'no' on this measure."

Senator Inouye requested his vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 2245, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LEASEHOLD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 3 (Chumbley, English, Ige). Excused, 3 (Buen, Chun, Taniguchi).

Stand. Com. Rep. No. 3303 (H.B. No. 2451, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 3303 be adopted and H.B. No. 2451, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose to speak in opposition to the measure as follows:

"Ah, the last of the special funds for the day. I think I'll be voting 'no,' Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3303 was adopted and H.B. No. 2451, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Slom). Excused, 3 (Buen, Chun, Taniguchi).

THIRD READING

MATTERS DEFERRED FROM EARLIER ON THE CALENDAR

Stand. Com. Rep. No. 3197 (H.B. No. 2400, H.D. 1, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 3197 be adopted and H.B. No. 2400, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hemmings then offered the following amendment (Floor Amendment No. 5) to H.B. No. 2400, H.D. 1, S.D. 1:

SECTION 1. House Bill No. 2400, H. D. 1, S. D. 1, is amended as follows:

1. By amending §10-13.3 of section 2 of the bill to read as follows:

"[F]§ 10-13.3 [F] **Interim revenue.** Notwithstanding the definition of revenue contained in this chapter and the provisions of section 10-13.5, and not withstanding any claimed invalidity of Act 304, Session Laws of Hawaii 1990, the income and proceeds from the pro rata portion of the public land trust under article XII, section 6 of the state constitution for expenditure by the office of Hawaiian affairs for the betterment of the conditions of native Hawaiians for ~~each of~~ fiscal year [1997-1998 and fiscal year 1998-1999 shall be \$15,100,000.]2002-2003 shall be \$ _____ provided that of the interim revenue appropriation contained in this section, no monies shall be used for the purposes of operating costs or administrative costs borne by the office of Hawaiian affairs."

2. By amending section 3 of the bill to read as follows:

"There is appropriated out of the general revenues of the State of Hawaii the sum of \$ _____, or so much thereof as may be necessary for fiscal year 2002-2003, for the betterment of the conditions of native Hawaiians as provided for in this Act, provided that of the general fund appropriation contained in this section, no monies shall be used for the purposes of operating costs or administrative costs borne by the office of Hawaiian affairs."

Senator Hemmings moved that Floor Amendment No. 5 be adopted, seconded by Senator Hogue.

Senator Hemmings rose to speak in support of the amendment as follows:

"Mr. President, I'd like to explain this amendment though I know you've discussed it in caucus and probably all made up your minds. I'd like to appeal to your common sense.

"We spent an entire day discussing the state budget, discussing holding our departments accountable, discussing the number of audits that come out and point out the fiscal irresponsibility of different departments. And though we like to think that it is separate, OHA is a state agency. OHA does use taxpayers' dollars. And I might add that the alleged beneficiaries of OHA are Hawaiians and Hawaiians pay taxes like everyone else, and therefore it is incumbent upon us to hold this agency accountable.

"We learned through an audit that close to 60 percent of recent expenditures of OHA have been on administrative costs. And that includes everything from hair dressing to other expenditures that are quite questionable, not the least of which is outside consulting which adds up to many millions of dollars. I might add one of my particular favorites is when a University Professor Jon Van Dyke comes down to the Legislature and testifies against legislation being proposed to help correct the inadequacies of OHA and it's revealed that he's not really there as a professor from the University of Hawaii Law School, but as a paid consultant for OHA. In fact, it might be found out that between him and his wife Sherry Broder, many millions of

dollars have gone from the beneficiaries' pockets in OHA to Ms. Broder and Mr. Van Dyke.

"So the conscientious thing to do is to amend this bill and say any money we do appropriate to OHA should be used for beneficiaries only, and that's exactly what this amendment does. It's nothing complicated. If they have administrative costs they can take it out of existing resources. And you can be sure if they're not using new taxpayers' dollars, they're going to be a lot more frugal on how they spend their money and possibly, just possibly, that the money we do appropriate out of the Legislature will end up going to the beneficiaries and not to aggrandizing the Office of Hawaiian Affairs and its minions.

"I hope that the Majority Party does take a second consideration to this in view of my remarks and vote this amendment into place, and when this bill goes to Conference we'll fine tune it.

"Thank you, Mr. President."

The motion to adopt Floor Amendment No. 5 was put by the Chair and failed.

Senator Hemmings rose and said:

"I will be voting with reservations, Mr. President."

At 5:54 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:55 o'clock p.m.

Senators Hogue and Slom requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3197 was adopted and H.B. No. 2400, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Buen, Chun, Taniguchi).

Stand. Com. Rep. No. 3286 (H.B. No. 2638, H.D. 2, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 3286 be adopted and H.B. No. 2638, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue then offered the following amendment (Floor Amendment No. 6) to H.B. No. 2638, H.D. 2, S.D. 1:

SECTION 1. House Bill No. 2638, H. D. 2, S. D. 1, is amended as follows:

1. By amending section 1 of the bill to read as follows:

This Act shall be known as the Hawaii Long-Term Care Financing Act.

2. By amending section 2 of the bill to read as follows:

The Hawaii Revised Statutes, is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

HAWAII LONG-TERM CARE FINANCING ACT

§ -1 **Purpose.** This chapter provides an equitable and affordable system of long-term care. This program promotes individual choice and discretion in selecting and paying for long-term care services.

§ -2 **Definitions.** As used in this chapter:

"Commission" means the Hawaii Long-Term Care Financing Program Commission.

"Long-term care services" means a broad range of supportive services needed by individuals who are age twenty-five or older with physical or mental impairments and have lost or never acquired the ability to function independently.

§ -3 **Hawaii Long-Term Care Financing Program; Commission.** (a) There is established within the department of budget and finance for administrative purposes the Hawaii Long-Term Care Financing Program Commission. The Commission is vested with designing a public-private long-term care services program, modeled after the New York State Partnership for Long-Term Care Program. The program is a unique model designed to finance long-term care services based on the concept of a public-private partnership, which links private insurance to Medicaid.

(b) Beginning July 1, 2002, the Commission shall consist of five members, three of which are to be appointed by the governor as provided in section 26-34, one of which is to be appointed by the president of the senate, and one of which is to be appointed by the speaker of the house of representatives; provided that the terms of the Commissioners shall be four years; provided further that the initial appointments may be staggered in accordance with section 26-34(a); provided further that any vacancies in the commission shall be filled by the governor, subject to the limit on length of service imposed by section 26-34.

(c) Each member of the commission shall be a citizen of the United States and a resident of the State. Members of the commission shall hold no other public office. No person shall be appointed consecutively to more than two terms as a member of the commission.

(d) Members of the Commission shall be appointed to reflect the following interests: accounting, business, finance, long-term care services insurance, or other similar fields. The composition of the Commission shall represent a diversity of relevant experience.

(e) The chairperson of the Commission shall be elected by a majority of the members of the Commission. Commissioners shall serve without compensation but shall be reimbursed for all expenses, including travel and per diem expenses, necessary for the performance of their duties.

3. By amending section 3 of the bill to read as follows:

The Commission shall report its findings and recommendations, including proposed legislation modeled after the New York State Partnership for Long-Term Care Program, no later than twenty days prior to the convening of the regular session of 2003.

4. By amending section 4 of the bill as to read as follows:

This Act shall take effect upon its approval; provided that section 2 shall take effect on July 1, 2002.

5. By deleting section 5 of the bill.

Senator Hogue moved that Floor Amendment No. 6 be adopted, seconded by Senator Hemmings.

Senator Hogue rose in support of the amendment as follows:

"Mr. President, I rise to speak in support of this amendment. I know you've talked about it, colleagues, and I hope you'll give me a few moments here.

"Intense discussion has taken place in the past few months regarding long-term care here in Hawaii. Many in the state have been actively pursuing options for many years. Rather than study a mandated tax to pay for an untested program, I hope that you will follow me by supporting the amended bill that is before you.

"This bill establishes a five-member commission to design implementation of a long-term care program in Hawaii based on

the current New York State partnership for long-term care. The New York program was created to help citizens obtain and pay for the long-term care they may need in their later years. The partnership provides lifetime coverage for long-term care expenses by combining private insurance coverage with Medicaid benefits, while guaranteeing the lifetime protection of their personal assets. This program has been functioning for nearly nine years since 1993.

“Under the program, if I buy a qualified partnership insurance policy, consisting of three years of nursing home care or six years of home care or some combination of the two, I can apply for Hawaii Medicaid benefits and still retain all of my assets. There will be no limits to the assets I may keep and still receive extended Medicaid coverage.

“The New York program has won national awards from Rutgers University, the John F. Kennedy School of Government, and Harvard University. The Council of State Governments also awarded the program its innovations award. Indiana has such a program with 15,000 policies in effect – 85 percent of those policies are held by residents over the age of 56 in the State of Indiana.

“The New York director told us that he has received numerous requests to copy their program. Currently, six states have implemented it, two more are ready to implement it. In fact, New Yorkers have responded so positively to the program that partnership insurance now accounts for almost 20 percent of all long-term care policies in that state.

“Some say that broad private policies are unaffordable to many older residents. According to the Executive Office on Aging, more than 22,000 older adults have incomes exceeding \$30,000 a year. If this small segment purchased a partnership policy, it could save the State of Hawaii – get this, folks – over \$3.5 trillion in future long-term care costs, dollars that could be used to assist the population that unfortunately falls below the poverty level.

“There are many pieces to this complicated long-term care puzzle. One size does not fit all. Please, let’s reward and encourage those who can afford to plan for their impending long-term care needs so we will have the future resources to assist those who truly need our help in the future. I hope you will please support this amendment.

“Thank you, Mr. President.”

Senator Matsuura rose to speak against the amendment as follows:

“Mr. President, I’d like to speak against the amendment.

“I won’t speak against the New York program. I believe it’s a good program. We took a look at it last year. The problem with the amendment, I think, is we’re limiting the committee that we’re setting up to look at only that one, I guess to look at the New York model. The New York model is good. It addresses the gap of looking at trying to get our elderly onto Medicaid faster without the two-year look back, three-year look forward. We tried it. We took a look at it. We studied it last year. There were some problems in implementing here in Hawaii. I apologize. I forgot, really, what the reasons were for why we couldn’t implement it last year.

“But the New York model is a good model. If we can implement it, I hope we can, but the problem with this amendment is that it locks our committee that will be looking at this thing that we’re setting up for only that one model.

“So for those reasons, I oppose this amendment. I want to be a little bit more enthusiastic but since we lost our two main money bills, I think I lost all my appropriations bills. And this is an appropriation bill.

“Thank you.”

Senator Hogue rose on rebuttal and said:

“Mr. President, can I just have a quick rebuttal there.

“The measure that’s going to go forward after this essentially will be a tax based program. And this measure allows there to be a partnership between the private sector and the public sector. This bill has already been enacted in other states. It is tried and true. It works. We are going to go forward with a next measure that is going to come up with some untested idea.

“I really encourage my colleagues to support this now, a tried and true measure that works for those who get involved with long-term care.

“Thank you very much, Mr. President. And you know what I am going to do? I am going to ask for a Roll Call vote. Thank you.”

The motion to adopt Floor Amendment No. 6 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following of Ayes and Noes:

Ayes, 4. Noes, 18 (Bunda, Chumbley, Chun Oakland, English, Fukunaga, Hanabusa, Ige, Ihara, Inouye, Kanno, Kawamoto, Kim, Kokubun, Matsuura, Menor, Nakata, Sakamoto, Tam). Excused, 3 (Buen, Chun, Taniguchi).

Senator Matsunaga cast his Roll Call vote “Aye, with reservations.”

Senator Slom rose in opposition to the measure as follows:

“Mr. President, I rise in opposition to this measure.

“If there was any doubt in the minds of our colleagues and the public as to what this bill is all about, the doubt should have been removed with the vote on the floor amendment offered in good faith by the good Senator from Kaneohe.

“We’re not here trying to find long-term care. We’re not here trying to help the elderly. We’re not here trying to help people have choices. We’re here to tax them to death. That’s what we want to do.

“As I’ve said several times before, I served for two years on a voluntary long-term advisory committee, a bipartisan committee in this Legislature whose supposed objective was to look at alternatives and options with an eye to free market, competitive choice. When all was said and done and everything was over, we found out that, in fact, the First Lady had been meeting also during the period of time, as she said on television once a week with a group of 12 who are unidentified and they came up with this latest proposal which is a recycling of the Project Hope proposal, or Family Hope proposal of more than a decade ago, but the object is still the same.

“This bill, even though it’s been modified and amended, is still the same – a state tax, a one size fits all method of controlling long-term care for yet another experiment by this State Government that no one else has attempted, no one else will attempt, that will not succeed. But they will dash the hopes of those that think that they can get insurance and long-term care.

"It's really a travesty. We did it with the single statewide school district and wound up with education second to none. And those poor people in the area of none who are worse than we are. We did it in terms of a general excise tax and no one has ever followed us with a gross income general excise tax. And we did it with prepaid health care, and now most of our population can't get adequate accessible health care. And now we're going to embark on another program, a tax-based program – tax based, the largest single tax increase in Hawaii's history. And make no mistake, every one of you that are voting for this knows that's what you want to do. You are not interested in alternatives. You are not interested in competition. You are not interested in free choice. You want this state government to have control of this process, and it's really sad because we argued about VEBA and we've argued about other things in terms of financial accountability. There is no accountability here because we don't know what the plan is.

"First, we started off and it was a supposed \$10 per month, per paycheck plan. It was going to cover people from the age of 25 to 98. It was to take ten years for them to become fully vested. It was going to give them a paltry one year in benefits. And now we try to take that out so the people aren't fooled directly. They are fooled indirectly by saying we're going to have an advisory committee and a board of trustees. And whose going to appoint them? The Governor. The Governor will appoint them. We've had problems before with whom the Governor appoints, and with the lack of accountability, but we're saying in this case here where no other state has gone forward in this area, let's be the first; let's go forward; let's do it; let's raise the taxes.

"And here, the good Senator from Kaneohe has offered you a tried and true method not only in the State of New York but in other states, as well, examples that have been in effect for nine years. We could follow them. We could always modify them. But no, we're going to do something different, but it's going to be tax based with lack of choice. It is a cruel hoax and a scam on the elderly of this community, but also on the young people who stand to pay forever and ever and ever not to get benefits. What we really should be addressing are the serious problems of long-term care and trying to help each person, each family, to meet those problems in the best way that they can.

"If you support this bill today and move this along, you're not changing anything at all, except going for more taxation.

"Thank you."

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against H.B. No. 2638, S.D. 1.

"Mr. President, there were glimmers of opportunity and hope in today's Session, not the least of which was us sending back to Committee the hurricane relief raid fund legislation. The hope is that maybe the Majority Party is seeing that 30 years of monopolistic government, 30 years of increased taxes, 30 years of failed programs so well documented in the audits we reviewed today have proven the demise of the Hawaiian economy. The evidence is so overwhelming and it's so pathetic.

"I listened real closely to the good Senator from Kaneohe's words about his amendment and the common sense solution other states have found in addressing with public and private partnerships this problem. But I also looked at all of your eyes and listened to your voices, and I did not hear noes of conviction because we're fighting for the young, we're fighting

for the elderly, we're fighting for the needy. I did not hear strong words that reflected a belief and a principle. I heard words that were meek, noes that were mild, noes that did not have courage of conviction, because deep in your hearts you know exactly what this is about.

"This legislation is not about what you know, but it's about who you know. And it's about circling the wagons around the bankrupt political ideology of that we'll drive the private sector to the brink of extinction and then we'll set up a government monopoly to fill the gap. And that government monopoly will be just as egregious and painful on the consumers of the State of Hawaii as all monopolies are.

"So, I really ask that you examine your consciences when you vote on this bill and ask yourself, is it going to solve a problem or create a problem; is it going to help the Hawaiian economy; is it really going to take care of those elderly? It's sad, sad, sad how many people called my office during the course of the debate on this bill throughout this Legislative Session. Elderly people said, 'Senator Hemmings, you have to support this bill because I might need insurance next year or the following year. And if you don't vote for it, I won't get covered.' People have been led to believe, I think through fraudulent means including producing a brochure announcing this program before it's become a reality, that they were going to have coverage – many believing they were going to have full coverage, many believe they were going to have immediate coverage. And we know it's just not true.

"I suspect that the wagons have been circled on this bill and it will pass with flying colors. But I also know, to your credit, that we're prefaced with persuasive argument, with logic, and with a sense of fair play that you the Majority Party in the Senate can do ultimately what is just and right. We did it with the hurricane relief fund, and look what happened. Gee, all of a sudden we found \$180 million and we're going to make our ends meet and balance the budget without using the hurricane relief fund.

"I would submit to you that though you may pass this bill today, you have between now and the end of the Session to kill this poorly conceived legislation, and enact meaningful reform such as the one proposed by the Senator from Kaneohe.

"Mr. President, colleagues, I guess the easy thing for you people to do is rubber stamp a 'yes' vote on this bill, but the moral thing to do is to vote 'no' and do what's right for the people of Hawaii.

"Thank you, Mr. President."

Senator Hogue rose to speak in opposition to the measure and stated:

"Mr. President, I rise to speak in opposition to this bill.

"First of all, I want to thank my colleagues for at least considering the proposal that I tried to move forward today. I think it would have been a good idea. I wish I could have gotten a little bit better response from you all, but I appreciate that at least you gave it some consideration.

"I want to read a short excerpt from one of our legislative documents that will speak to the issue that's gone on today: 'The State of Hawaii will establish the Hawaii long-term care reform task force as a matter of compelling state interest to design a system of long-term care services for Hawaii's citizens requiring long-term care that is affordable, available and of high quality. The system would meet current and growing long-term care needs, identify and plan new services and delivery systems

and determine how to pay for these services, using both public and private funding.’

“You may think that I’m reading from the bill before us or the committee report, but I’m not. I’m reading from the Senate Concurrent Resolution 121, dated May 12, 1995, seven years ago. The State hasn’t moved one inch forward since 1995. It’s now seven years later, Care-Plus has so many holes, flawed planning, incorrect actuarial data, that every part of it had to be removed from the bill that is before us today.

“The vice chair of the recent task force wrote this in the Hawaii Medical Journal: ‘There are no quick fixes. One size will not fit all. Any program must be understandable and acceptable to the constituency and must have choices.’ The task force also added that any long-term care system should be financed primarily through private funding and secondarily through a public safety net. I say again, primarily through private funding. I just offered a viable private option for a segment of residents. It’s been proven effective and this spring a number of states are considering the same option. Obviously, that amendment was killed, and now we are planning to continue down the road of a one size fits all tax based financing system. It won’t sell, folks, and it won’t work.

“Colleagues, our tunnel vision has had us running into quicksand for nearly a decade and the bill before us today places us exactly where we were seven years ago. Please vote ‘no.’ Thank you.

Senator Tam rose in support of the measure and said:

“Mr. President, I speak in favor of this bill.

“There just two points I want to point out. We’re all concerned about long-term care for people of all ages, especially our senior citizens. I want to point out that this is a very positive direction for the following reasons:

- (1) This bill is a measure in support of long-term care, not a negative proposal; and
- (2) This bill is legislation to establish a concrete, a concrete, program that is workable.

“The general public has strongly requested us to be prudent, once again, prudent, in the make-up of a realistic long-term care program. I am confident the long-term care program will be established next year.

“Many times the public asks us to be more business like. I think business like means that we’re well organized. We have a business plan. But for many types of programs we do not have business plans so we base it on the concept. Concept is good but it’s not workable many times. This bill will establish a program that is realistic and is workable.

“Thank you.”

Senator Kim requested her vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 3286 was adopted and H.B. No. 2638, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII LONG-TERM CARE FINANCING ACT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 3 (Hemmings, Hogue, Slom). Excused, 3 (Buen, Chun, Taniguchi).

**RE-REFERRAL OF
SENATE CONCURRENT RESOLUTIONS**

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

Senate Concurrent Resolution	Referred to:
No. 82	Committee on Judiciary
No. 138	Jointly to the Committee on Education, the Committee on Water, Land, Energy, and Environment and the Committee on Hawaiian Affairs

**RE-REFERRAL OF
SENATE RESOLUTION**

The Chair re-referred the following resolution that was offered:

Senate Resolution	Referred to:
No. 48	Committee on Judiciary

STANDING COMMITTEE REPORTS

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3372) recommending that S.C.R. No. 131, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3372 and S.C.R. No. 131, S.D. 1, entitled: “SENATE CONCURRENT RESOLUTION REQUESTING EXPEDITED BUDGETING, FINANCING, AND CONSTRUCTION OF NEW SCHOOL FACILITIES,” was deferred until Thursday, April 11, 2002.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3373) recommending that S.R. No. 113, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3373 and S.R. No. 113, S.D. 1, entitled: “SENATE RESOLUTION REQUESTING EXPEDITED BUDGETING, FINANCING, AND CONSTRUCTION OF NEW SCHOOL FACILITIES,” was deferred until Thursday, April 11, 2002.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3374), recommending that S.R. No. 96, as amended in S.D. 1, be referred to the Committee on Judiciary.

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 96, S.D. 1, entitled: “SENATE RESOLUTION REQUESTING THE TIMELY PROCESSING OF EDUCATIONAL FACILITIES PROJECTS AND THE DEVELOPMENT OF NEW SCHOOL CONSTRUCTION,” was referred to the Committee on Judiciary.

Senator Ihara rose and said:

“Mr. President, I have an item under miscellaneous business.

“Mr. President, the Clerk has placed on the Senators’ desks S.R. No. 114. This resolution proposes to amend Senate Rule 23, subsection 3, to prohibit a Conference Committee procedure

that would allow a single Conference Chair to veto an action by the majority of a Conference Committee. Mr. President, pursuant to Senate Rule 85, I request that S.R. No. 114 be placed on the Order of the Day on Thursday, April 11, for consideration by the Senate.”

The Chair so ordered.

SENATE RESOLUTION

The following resolution (S.R. No. 114) was read by the Clerk and was deferred:

Senate Resolution

No. 114 “SENATE RESOLUTION AMENDING THE RULES OF THE SENATE OF THE TWENTY-FIRST LEGISLATURE OF THE STATE OF HAWAII, 2001-2002.”

Offered by: Senators Ihara, Hogue, Ige, Fukunaga, Matsunaga, Chumbley, Chun Oakland, Slom, Hemmings.

Senator Hanabusa, Vice Chair of the Committee on Ways and Means, requested a waiver of the notice requirement pursuant to Senate Rule 20 for the following resolutions:

- S.C.R. No. 3;
- S.C.R. No. 7;
- S.C.R. No. 19;
- S.C.R. No. 35;
- S.C.R. No. 39;
- S.C.R. No. 48;
- S.C.R. No. 58;
- S.C.R. No. 64;
- S.C.R. No. 69;
- S.C.R. No. 79;
- S.C.R. No. 103;
- S.C.R. No. 109;
- S.C.R. No. 112;
- S.C.R. No. 113;
- S.C.R. No. 134;
- S.C.R. No. 157;
- S.C.R. No. 169;
- S.R. No. 2;
- S.R. No. 19;
- S.R. No. 38;
- S.R. No. 58;
- S.R. No. 94; and
- S.R. No. 105,

and the Chair granted the waiver.

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

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

“It’s been a long and, I think, productive day and though your Minority may disagree with the Majority Party on some of the initiatives, it’s been done in an open and honest manner. I want to make a personal apology to one Committee Chair and also acknowledge where there is a will, there is a way.

“In talking about the budget today, I kept bringing up the audits, saying how oftentimes we ignore the audits and we just simply grant the heads of the different departments asking for more money, more money without ever holding them accountable. But I made an omission because there is one Senator that has held an agency of government accountable, and that is the good Senator from Moanalua and Kalihi who has reduced the travel industry budget, the Hawaii Tourism

Authority budget from \$61 million to \$50 million. This is a sizable over 15 percent reduction.

“She looked at the audit. She saw that they were not being held accountable properly for the way they spent taxpayers’ money and she cut their spending. Now, if she can do it, I would suggest that the rest of us can do it, especially the Committee Chairs who are heaping good money after bad money. But I do think that she has to be singled out as a breath of fresh air in the process of holding departments accountable, and for that I laud her and I hope that the Majority Party leadership at committees can recognize her efforts and follow her leadership.

“Thank you, Mr. President.”

ADJOURNMENT

At 6:23 o’clock p.m., on motion by Senator English, seconded by Senator Hemmings and carried, the Senate adjourned until 3:00 o’clock p.m., Thursday, April 11, 2002.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate