

TWENTY-SIXTH DAY

Tuesday, March 8, 2005

The Senate of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2005, convened at 10:11 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Conrado Lomibao, Saint Philomena Catholic Church, after which the Roll was called showing all Senators present with the exception of Senator Ihara who was excused.

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

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 82 to 109) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 82, transmitting H.B. No. 109, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 109, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE COMMISSION," passed First Reading by title and was deferred.

Hse. Com. No. 83, transmitting H.B. No. 138, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 138, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BOOKMOBILES," passed First Reading by title and was deferred.

Hse. Com. No. 84, transmitting H.B. No. 140, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 140, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed First Reading by title and was deferred.

Hse. Com. No. 85, transmitting H.B. No. 180, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 180, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," passed First Reading by title and was deferred.

Hse. Com. No. 86, transmitting H.B. No. 434, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 434, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CAREER CRIMINAL PROSECUTION UNITS AND VICTIM WITNESS ASSISTANCE PROGRAMS," passed First Reading by title and was deferred.

Hse. Com. No. 87, transmitting H.B. No. 465, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 465, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARDS OF REGISTRATION," passed First Reading by title and was deferred.

Hse. Com. No. 88, transmitting H.B. No. 488, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 488, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed First Reading by title and was deferred.

Hse. Com. No. 89, transmitting H.B. No. 497, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 497, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNCOLLECTIBLE ACCOUNTS," passed First Reading by title and was deferred.

Hse. Com. No. 90, transmitting H.B. No. 531, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 531, entitled: "A BILL FOR AN ACT RELATING TO MANAGEMENT OF STATE FUNDS," passed First Reading by title and was deferred.

Hse. Com. No. 91, transmitting H.B. No. 556, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 556, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR WIRELESS ENHANCED 911," passed First Reading by title and was deferred.

Hse. Com. No. 92, transmitting H.B. No. 683, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 683, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION," passed First Reading by title and was deferred.

Hse. Com. No. 93, transmitting H.B. No. 685, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 685, entitled: "A BILL FOR AN ACT RELATING TO WIRELESS ENHANCED 911 SERVICE," passed First Reading by title and was deferred.

Hse. Com. No. 94, transmitting H.B. No. 760, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 760, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS TO BEACHES," passed First Reading by title and was deferred.

Hse. Com. No. 95, transmitting H.B. No. 842, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 842, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF BONDS FOR EDUCATION PURPOSES," passed First Reading by title and was deferred.

Hse. Com. No. 96, transmitting H.B. No. 1029, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1029, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE DEPARTMENT OF DEFENSE," passed First Reading by title and was deferred.

Hse. Com. No. 97, transmitting H.B. No. 1118, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1118, entitled: "A BILL FOR AN ACT RELATING TO NURSES," passed First Reading by title and was deferred.

Hse. Com. No. 98, transmitting H.B. No. 1206, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1206, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR CIVIL DEFENSE," passed First Reading by title and was deferred.

Hse. Com. No. 99, transmitting H.B. No. 1207, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1207, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EMERGENCY SHELTER RETROFITTING," passed First Reading by title and was deferred.

Hse. Com. No. 100, transmitting H.B. No. 1224, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1224, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed First Reading by title and was deferred.

Hse. Com. No. 101, transmitting H.B. No. 1301, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1301, H.D. 1, entitled: "A BILL FOR AN

ACT RELATING TO INVASIVE SPECIES," passed First Reading by title and was deferred.

Hse. Com. No. 102, transmitting H.B. No. 1387, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1387, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STATE CIVIL DEFENSE POSITIONS," passed First Reading by title and was deferred.

Hse. Com. No. 103, transmitting H.B. No. 1554, H.D. 2, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1554, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION," passed First Reading by title and was deferred.

Hse. Com. No. 104, transmitting H.B. No. 1668, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1668, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," passed First Reading by title and was deferred.

Hse. Com. No. 105, transmitting H.B. No. 1709, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1709, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE," passed First Reading by title and was deferred.

Hse. Com. No. 106, transmitting H.B. No. 1713, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1713, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed First Reading by title and was deferred.

Hse. Com. No. 107, transmitting H.B. No. 1721, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1721, entitled: "A BILL FOR AN ACT RELATING TO LOW-INCOME HOUSEHOLD RENTERS," passed First Reading by title and was deferred.

Hse. Com. No. 108, transmitting H.B. No. 1740, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1740, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC VOTING," passed First Reading by title and was deferred.

Hse. Com. No. 109, transmitting H.B. No. 1746, H.D. 1, which passed Third Reading in the House of Representatives on March 4, 2005, was placed on file.

On motion by Senator Hee, seconded by Senator Hogue and carried, H.B. No. 1746, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed First Reading by title and was deferred.

JUDICIARY COMMUNICATION

Jud. Com. No. 1, submitting for consideration and consent, the nomination of EDWIN C. NACINO to the Office of Judge, District Court of the First Circuit, in accordance with the provisions of Article VI, Section 3, of the Hawaii State Constitution, for a term of six years, was read by the Clerk and was referred to the Committee on Judiciary and Hawaiian Affairs.

ORDER OF THE DAY

REFERRAL OF HOUSE BILLS

MATTERS DEFERRED FROM FRIDAY, MARCH 4, 2005

The President made the following committee assignments of House bills received on Friday, March 4, 2005:

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| House Bill | Referred to: |
| No. 31, H.D. 2 | Jointly to the Committee on Health, the Committee on Human Services and the Committee on Commerce, Consumer Protection and Housing, then jointly to the Committee on Judiciary and Hawaiian Affairs and the Committee on Ways and Means |
| No. 32, H.D. 2 | Jointly to the Committee on Health, the Committee on Human Services and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means |
| No. 78, H.D. 1 | Jointly to the Committee on Intergovernmental Affairs and the Committee on Transportation and Government Operations |
| No. 88, H.D. 2 | Committee on Transportation and Government Operations, then to the Committee on Judiciary and Hawaiian Affairs |
| No. 115, H.D. 1 | Committee on Education and Military Affairs, then to the Committee on Ways and Means |
| No. 119, H.D. 1 | Committee on Judiciary and Hawaiian Affairs |
| No. 222 | Jointly to the Committee on Education and Military Affairs and the Committee on Human Services, then to the Committee on Ways and Means |
| No. 250 | Committee on Labor, then to the Committee on Ways and Means |
| No. 251 | Committee on Labor, then to the Committee on Ways and Means |
| No. 252 | Committee on Labor, then to the Committee on Ways and Means |
| No. 253 | Committee on Labor, then to the Committee on Ways and Means |
| No. 254 | Committee on Labor, then to the Committee on Ways and Means |

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| No. 255 | Committee on Labor, then to the Committee on Ways and Means |
| No. 256 | Committee on Labor, then to the Committee on Ways and Means |
| No. 257 | Committee on Labor, then to the Committee on Ways and Means |
| No. 258 | Committee on Labor, then to the Committee on Ways and Means |
| No. 259 | Committee on Labor, then to the Committee on Ways and Means |
| No. 260 | Committee on Labor, then to the Committee on Ways and Means |
| No. 261 | Committee on Labor, then to the Committee on Ways and Means |
| No. 262 | Committee on Labor, then to the Committee on Ways and Means |
| No. 263 | Committee on Labor, then to the Committee on Ways and Means |
| No. 291, H.D. 1 | Jointly to the Committee on Energy, Environment, and International Affairs and the Committee on Water, Land, and Agriculture |
| No. 320, H.D. 1 | Committee on Judiciary and Hawaiian Affairs |
| No. 325 | Committee on Labor, then to the Committee on Ways and Means |
| No. 328 | Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means |
| No. 332, H.D. 1 | Committee on Health, then to the Committee on Commerce, Consumer Protection and Housing |
| No. 410, H.D. 1 | Committee on Energy, Environment, and International Affairs, then to the Committee on Ways and Means |
| No. 438, H.D. 1 | Committee on Transportation and Government Operations, then to the Committee on Judiciary and Hawaiian Affairs |
| No. 441, H.D. 1 | Jointly to the Committee on Education and Military Affairs and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means |
| No. 461, H.D. 1 | Committee on Judiciary and Hawaiian Affairs |
| No. 491 | Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means |
| No. 588, H.D. 1 | Committee on Judiciary and Hawaiian Affairs |
| No. 632 | Committee on Labor, then to the Committee on Ways and Means |
| No. 792, H.D. 1 | Jointly to the Committee on Energy, Environment, and International Affairs and the Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means |

No. 841 Committee on Education and Military Affairs, then to the Committee on Ways and Means

No. 844, H.D. 1 Committee on Education and Military Affairs

No. 864 Committee on Intergovernmental Affairs, then to the Committee on Judiciary and Hawaiian Affairs

No. 894 Committee on Judiciary and Hawaiian Affairs

No. 906, H.D. 1 Jointly to the Committee on Media, Arts, Science and Technology and the Committee on Transportation and Government Operations, then to the Committee on Ways and Means

No. 1076, H.D. 1 Committee on Higher Education, then to the Committee on Ways and Means

No. 1280, H.D. 1 Jointly to the Committee on Water, Land, and Agriculture and the Committee on Higher Education, then to the Committee on Ways and Means

No. 1293, H.D. 1 Committee on Ways and Means

No. 1305, H.D. 1 Committee on Labor, then to the Committee on Judiciary and Hawaiian Affairs

No. 1306, H.D. 1 Committee on Labor, then to the Committee on Judiciary and Hawaiian Affairs

No. 1433 Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means

No. 1453, H.D. 1 Committee on Judiciary and Hawaiian Affairs

No. 1472 Committee on Transportation and Government Operations, then to the Committee on Ways and Means

No. 1594 Committee on Labor, then to the Committee on Ways and Means

No. 1595 Committee on Labor, then to the Committee on Ways and Means

No. 1596 Committee on Labor, then to the Committee on Ways and Means

No. 1597 Committee on Labor, then to the Committee on Ways and Means

No. 1598 Committee on Labor, then to the Committee on Ways and Means

No. 1599 Committee on Labor, then to the Committee on Ways and Means

No. 1688, H.D. 1 Jointly to the Committee on Higher Education and the Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means

No. 1712, H.D. 1 Committee on Judiciary and Hawaiian Affairs

No. 1728, H.D. 1 Committee on Education and Military Affairs, then to the Committee on Ways and Means

No. 1749, H.D. 2 Committee on Higher Education, then to the Committee on Judiciary and Hawaiian Affairs

No. 1758, H.D. 1 Committee on Labor, then to the Committee on Ways and Means

THIRD READING

S.B. No. 1586:

On motion by Senator Ige, seconded by Senator Kokubun and carried, S.B. No. 1586, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COUNTY BOARD OF WATER SUPPLY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 695:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 695, entitled: "A BILL FOR AN ACT RELATING TO THE NATIONAL CRIME PREVENTION AND PRIVACY COMPACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 532:

On motion by Senator Inouye, seconded by Senator Espero and carried, S.B. No. 532, entitled: "A BILL FOR AN ACT RELATING TO METROPOLITAN PLANNING ORGANIZATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 107:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 107, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1798:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 1798, entitled: "A BILL FOR AN ACT RELATING TO NONPROFIT CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 603:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 603, entitled: "A BILL FOR AN ACT RELATING TO 911 EMERGENCY SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 607, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 607, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THEFT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 681:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 681, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF SEXUAL CONDUCT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 700, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 700, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE ABATEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1235:

On motion by Senator Baker, seconded by Senator Chun Oakland and carried, S.B. No. 1235, entitled: "A BILL FOR AN ACT RELATING TO ELDERLY CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 642 (S.B. No. 122, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 642 was adopted and S.B. No. 122, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PATIENT SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 645 (S.B. No. 1170, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 645 was adopted and S.B. No. 1170, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC COMMERCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 646 (S.B. No. 1512, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 646 was adopted and S.B. No. 1512, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE FATALITY REVIEW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1742:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 1742, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VI, SECTION 4, OF THE HAWAII CONSTITUTION RELATING TO THE JUDICIAL SELECTION COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 111, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 111, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 119, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 119, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONTINUING EDUCATION OF DESIGN PROFESSIONALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 753:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 753, entitled: "A BILL FOR AN ACT RELATING TO POOLED INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 754, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 754, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 654 (S.B. No. 766, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 654 was adopted and S.B. No. 766, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONS AND VOCATIONS LICENSURE RESTORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1802, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 1802, 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 (Ihara).

Stand. Com. Rep. No. 657 (S.B. No. 711, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 657 was adopted and S.B. No. 711, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 658 (S.B. No. 118, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 658 was adopted and S.B. No. 118, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF DENTAL EXAMINERS EXAMINATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 660 (S.B. No. 953, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 660 was adopted and S.B. No. 953, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY DISCLOSURES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 101:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 101, 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, 24. Noes, none. Excused, 1 (Ihara).

S.B. No. 840, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 840, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX WITHHOLDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 460:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 460, entitled: "A BILL FOR AN ACT RELATING TO TAX REFUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 102:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 102, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," having been read

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

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

S.B. No. 944, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 944, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 945, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 945, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1141, S.D. 1:

On motion by Senator Kim, seconded by Senator Menor and carried, S.B. No. 1141, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARE PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 108, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 108, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE BROKERS AND SOLICITORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 756, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 756, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 675 (S.B. No. 1230):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 675 was adopted and S.B. No. 1230, entitled: "A BILL FOR AN ACT RELATING TO DENTAL INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 693 (S.B. No. 121):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 693 was adopted and S.B.

No. 121, entitled: "A BILL FOR AN ACT RELATING TO BREWPUB LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 694 (S.B. No. 743, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 694 was adopted and S.B. No. 743, S.D. 2, 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 (Ihara).

Stand. Com. Rep. No. 698 (S.B. No. 40, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 698 was adopted and S.B. No. 40, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER CONSENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 700 (S.B. No. 675):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 700 was adopted and S.B. No. 675, 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 (Ihara).

Stand. Com. Rep. No. 701 (S.B. No. 826):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 701 was adopted and S.B. No. 826, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 702 (S.B. No. 1210):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 702 was adopted and S.B. No. 1210, entitled: "A BILL FOR AN ACT RELATING TO FAMILY CHILD CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 704 (S.B. No. 1476, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 704 was adopted and S.B. No. 1476, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 705 (S.B. No. 1548, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 705 was adopted and S.B. No. 1548, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY ETHICS COMMISSIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 15, S.D. 1:

On motion by Senator English, seconded by Senator Kokubun and carried, S.B. No. 15, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WATER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1015, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Menor and carried, S.B. No. 1015, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 714 (S.B. No. 1301, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Hooser and carried, Stand. Com. Rep. No. 714 was adopted and S.B. No. 1301, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RECREATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1349, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 1349, 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 (Ihara).

Stand. Com. Rep. No. 719 (S.B. No. 76, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 719 was adopted and S.B. No. 76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC VIOLATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1362, S.D. 1:

On motion by Senator Inouye, seconded by Senator Espero and carried, S.B. No. 1362, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 724 (S.B. No. 971, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 724 was adopted and S.B. No. 971, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 727 (S.B. No. 744, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 727 was adopted and S.B. No. 744, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 728 (S.B. No. 781):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 728 was adopted and S.B. No. 781, entitled: "A BILL FOR AN ACT RELATING TO ENFORCEMENT OF QUARANTINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 729 (S.B. No. 1893):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 729 was adopted and S.B. No. 1893, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 691:

On motion by Senator Chun Oakland, seconded by Senator Fukunaga and carried, S.B. No. 691, entitled: "A BILL FOR AN ACT RELATING TO MISSING CHILD CENTER-HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 97, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 97, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARD DEDUCTION AMOUNT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1137, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 1137, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 739 (S.B. No. 77, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 739 was adopted and S.B. No. 77, 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 (Ihara).

S.B. No. 780:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 780, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 743 (S.B. No. 264, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Stand. Com. Rep. No. 743 was adopted and S.B. No. 264, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COURTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 744 (S.B. No. 1547, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Stand. Com. Rep. No. 744 was adopted and S.B. No. 1547, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 745 (S.B. No. 130, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 745 was adopted and S.B. No. 130, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INVOLUNTARY PSYCHIATRIC TREATMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 746 (S.B. No. 556, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 746 was adopted and S.B. No. 556, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 747 (S.B. No. 702, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 747 was adopted and S.B.

No. 702, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ANTITRUST," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 748 (S.B. No. 785, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 748 was adopted and S.B. No. 785, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 750 (S.B. No. 951, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 750 was adopted and S.B. No. 951, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FIRE PROTECTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 752 (S.B. No. 1345, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 752 was adopted and S.B. No. 1345, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 755 (S.B. No. 608):

On motion by Senator Menor, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 755 was adopted and S.B. No. 608, entitled: "A BILL FOR AN ACT RELATING TO DUTY OF PHYSICIAN, SURGEON, HOSPITAL, CLINIC, ETC., TO REPORT WOUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 757 (S.B. No. 719, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 757 was adopted and S.B. No. 719, S.D. 2, 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 (Ihara).

Stand. Com. Rep. No. 759 (S.B. No. 1378, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 759 was adopted and S.B. No. 1378, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PEARL HARBOR HISTORIC TRAIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 760 (S.B. No. 1696, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 760 was adopted and S.B. No. 1696, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 761 (S.B. No. 1697, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 761 was adopted and S.B. No. 1697, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY TRAINING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 763 (S.B. No. 72, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 763 was adopted and S.B. No. 72, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE AND TOUR VEHICLE SURCHARGE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 764 (S.B. No. 179, S.D. 3):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 764 was adopted and S.B. No. 179, S.D. 3, 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 (Ihara).

Stand. Com. Rep. No. 766 (S.B. No. 751, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 766 was adopted and S.B. No. 751, 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 (Ihara).

Stand. Com. Rep. No. 767 (S.B. No. 769, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 767 was adopted and S.B. No. 769, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 768 (S.B. No. 770, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 768 was adopted and S.B. No. 770, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE BROKERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 769 (S.B. No. 801, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 769 was adopted and S.B. No. 801, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LOW-INTEREST LOANS TO DISASTER VICTIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 772 (S.B. No. 1117, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 772 was adopted and S.B. No. 1117, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 774 (S.B. No. 1132, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 774 was adopted and S.B. No. 1132, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 775 (S.B. No. 1223, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 775 was adopted and S.B. No. 1223, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NEGOTIABLE INSTRUMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 777 (S.B. No. 1793, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 777 was adopted and S.B. No. 1793, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 778 (S.B. No. 1852, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 778 was adopted and S.B. No. 1852, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LOW INCOME HOUSING," having been

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

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

Stand. Com. Rep. No. 779 (S.B. No. 778, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 779 was adopted and S.B. No. 778, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR SERVICES TO CHILDREN WITH AUTISM SPECTRUM DISORDER, AND FOR SCHOOL-BASED BEHAVIORAL HEALTH SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 780 (S.B. No. 873, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 780 was adopted and S.B. No. 873, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 783 (S.B. No. 1248, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 783 was adopted and S.B. No. 1248, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 784 (S.B. No. 1255, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 784 was adopted and S.B. No. 1255, 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 (Ihara).

Stand. Com. Rep. No. 786 (S.B. No. 1389, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 786 was adopted and S.B. No. 1389, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOLS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 787 (S.B. No. 1394, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 787 was adopted and S.B. No. 1394, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 788 (S.B. No. 1483, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 788 was adopted and S.B. No. 1483, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR WAIMEA COUNTRY SCHOOL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 790 (S.B. No. 1635, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 790 was adopted and S.B. No. 1635, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 792 (S.B. No. 1648, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 792 was adopted and S.B. No. 1648, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TUITION ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 793 (S.B. No. 1661, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 793 was adopted and S.B. No. 1661, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 795 (S.B. No. 1838, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 795 was adopted and S.B. No. 1838, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE NATIONAL GUARD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 796 (S.B. No. 1554, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 796 was adopted and S.B. No. 1554, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 798 (S.B. No. 3, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 798 was adopted and S.B. No. 3, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 799 (S.B. No. 128, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 799 was adopted and S.B. No. 128, S.D. 1, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 800 (S.B. No. 131, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 800 was adopted and S.B. No. 131, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 801 (S.B. No. 459, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 801 was adopted and S.B. No. 459, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 802 (S.B. No. 527, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 802 was adopted and S.B. No. 527, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PURCHASES OF HEALTH AND HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 803 (S.B. No. 562):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 803 was adopted and S.B. No. 562, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER SUPPORT SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 805 (S.B. No. 782, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 805 was adopted and S.B. No. 782, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR EARLY INTERVENTION SERVICES," having been read

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

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

Stand. Com. Rep. No. 806 (S.B. No. 791, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 806 was adopted and S.B. No. 791, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A CONTINUUM OF HEALTH CARE SETTINGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 808 (S.B. No. 1201, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 808 was adopted and S.B. No. 1201, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ILLEGAL USE OF CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 809 (S.B. No. 1209, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 809 was adopted and S.B. No. 1209, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 810 (S.B. No. 1419, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 810 was adopted and S.B. No. 1419, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 812 (S.B. No. 1713, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 812 was adopted and S.B. No. 1713, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO KALAUPAPA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 813 (S.B. No. 1094, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 813 was adopted and S.B. No. 1094, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HANA COMMUNITY HEALTH CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 815 (S.B. No. 116, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 815 was adopted and S.B. No. 116, S.D. 2, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 816 (S.B. No. 464, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 816 was adopted and S.B. No. 464, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 817 (S.B. No. 667, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 817 was adopted and S.B. No. 667, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR FLOOD LOSSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 818 (S.B. No. 898, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 818 was adopted and S.B. No. 898, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 819 (S.B. No. 1065, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 819 was adopted and S.B. No. 1065, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND MARKET DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 821 (S.B. No. 244, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 821 was adopted and S.B. No. 244, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LONG TERM CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 828 (S.B. No. 1854, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 828 was adopted and S.B. No. 1854, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE RENT SUPPLEMENT PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 829 (S.B. No. 1872):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 829 was adopted and S.B. No. 1872, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PALOLO CHINESE HOME AND ITS SUBSIDIARIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 830 (S.B. No. 637, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 830 was adopted and S.B. No. 637, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DEVELOPMENT OF A NON-EMERGENCY REPORTING SYSTEM, KNOWN AS 3-1-1," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 832 (S.B. No. 1478, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 832 was adopted and S.B. No. 1478, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FIRE COUNCIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 833 (S.B. No. 1685, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 833 was adopted and S.B. No. 1685, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 838 (S.B. No. 824):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 838 was adopted and S.B. No. 824, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 841 (S.B. No. 995, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 841 was adopted and S.B. No. 995, S.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VI,

SECTION 3, OF THE HAWAII CONSTITUTION TO REMOVE THE MANDATORY RETIREMENT AGE FOR STATE JUSTICES AND JUDGES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 842 (S.B. No. 1317, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 842 was adopted and S.B. No. 1317, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COURT APPOINTED COUNSEL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 845 (S.B. No. 1551, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 845 was adopted and S.B. No. 1551, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FREEDOM OF INFORMATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 846 (S.B. No. 1781):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 846 was adopted and S.B. No. 1781, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMMUNITY-BASED REINTEGRATION PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 847 (S.B. No. 1864, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 847 was adopted and S.B. No. 1864, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION OUT OF THE JUDICIARY COMPUTER SYSTEM SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 849 (S.B. No. 424, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 849 was adopted and S.B. No. 424, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT BENEFITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 853 (S.B. No. 740, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 853 was adopted and S.B. No. 740, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT

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

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

Stand. Com. Rep. No. 854 (S.B. No. 807, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 854 was adopted and S.B. No. 807, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SALARIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 855 (S.B. No. 813, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 855 was adopted and S.B. No. 813, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 858 (S.B. No. 943, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 858 was adopted and S.B. No. 943, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 859 (S.B. No. 1045, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 859 was adopted and S.B. No. 1045, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 860 (S.B. No. 1046, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 860 was adopted and S.B. No. 1046, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 861 (S.B. No. 1047, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 861 was adopted and S.B. No. 1047, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout,

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

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

Stand. Com. Rep. No. 862 (S.B. No. 1048, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 862 was adopted and S.B. No. 1048, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 863 (S.B. No. 1049, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 863 was adopted and S.B. No. 1049, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 864 (S.B. No. 1050, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 864 was adopted and S.B. No. 1050, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 865 (S.B. No. 1052):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 865 was adopted and S.B. No. 1052, entitled: "A BILL FOR AN ACT RELATING TO THE DEPENDENT-BENEFICIARIES OF THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 867 (S.B. No. 1193, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 867 was adopted and S.B. No. 1193, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 868 (S.B. No. 1194, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 868 was adopted and S.B. No. 1194, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF TRUSTEES OF THE DEFERRED COMPENSATION PLAN," having been read

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

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

Stand. Com. Rep. No. 872 (S.B. No. 1579, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 872 was adopted and S.B. No. 1579, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 873 (S.B. No. 1580, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 873 was adopted and S.B. No. 1580, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 874 (S.B. No. 1581, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 874 was adopted and S.B. No. 1581, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 875 (S.B. No. 1582, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 875 was adopted and S.B. No. 1582, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 876 (S.B. No. 1583, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 876 was adopted and S.B. No. 1583, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 877 (S.B. No. 1584, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 877 was adopted and S.B. No. 1584, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE

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

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

Stand. Com. Rep. No. 878 (S.B. No. 1585, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 878 was adopted and S.B. No. 1585, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 880 (S.B. No. 33, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 880 was adopted and S.B. No. 33, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 883 (S.B. No. 666, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 883 was adopted and S.B. No. 666, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT RECORDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 885 (S.B. No. 967, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 885 was adopted and S.B. No. 967, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MUSEUM OF HAWAIIAN MUSIC AND DANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 887 (S.B. No. 1304, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 887 was adopted and S.B. No. 1304, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TELEVISION AND FILM INDUSTRY DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 888 (S.B. No. 1457, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 888 was adopted and S.B. No. 1457, S.D. 1, 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 (Ihara).

Stand. Com. Rep. No. 890 (S.B. No. 1699, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 890 was adopted and S.B. No. 1699, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CULTURE AND THE ARTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 898 (S.B. No. 599):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 898 was adopted and S.B. No. 599, entitled: "A BILL FOR AN ACT RELATING TO THE BOARDS OF REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 900 (S.B. No. 735):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 900 was adopted and S.B. No. 735, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 901 (S.B. No. 848, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 901 was adopted and S.B. No. 848, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITY FOR CONCESSION CONTRACTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 903 (S.B. No. 963, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 903 was adopted and S.B. No. 963, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 904 (S.B. No. 1038, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 904 was adopted and S.B. No. 1038, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PROCUREMENT INSTITUTE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 905 (S.B. No. 1127, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 905 was adopted and S.B. No. 1127, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC PROCUREMENT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 906 (S.B. No. 1222, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 906 was adopted and S.B. No. 1222, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE SEARCH AND RESCUE REIMBURSEMENT ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 912 (S.B. No. 1843, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 912 was adopted and S.B. No. 1843, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 913 (S.B. No. 1876, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 913 was adopted and S.B. No. 1876, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 915 (S.B. No. 212, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 915 was adopted and S.B. No. 212, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 917 (S.B. No. 671, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 917 was adopted and S.B. No. 671, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL COMMODITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 918 (S.B. No. 955, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 918 was adopted and S.B. No. 955, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL

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

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

Stand. Com. Rep. No. 919 (S.B. No. 1006, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 919 was adopted and S.B. No. 1006, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON THE ISLAND OF OAHU,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 921 (S.B. No. 1268, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 921 was adopted and S.B. No. 1268, 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 (Ihara).

Stand. Com. Rep. No. 922 (S.B. No. 1451, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 922 was adopted and S.B. No. 1451, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO IMPROVING WATER QUALITY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 923 (S.B. No. 1461, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 923 was adopted and S.B. No. 1461, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO NATURAL RESOURCES MANAGEMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 924 (S.B. No. 1474, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 924 was adopted and S.B. No. 1474, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE MAUNA KEA SCIENCE RESERVE AUTHORITY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 928 (S.B. No. 1879, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 928 was adopted and S.B. No. 1879, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 929 (S.B. No. 1883, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 929 was adopted and S.B. No. 1883, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MILOLFI FISHERIES MANAGEMENT AREA,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 932 (S.B. No. 1899, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 932 was adopted and S.B. No. 1899, S.D. 1, 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 (Ihara).

Stand. Com. Rep. No. 938 (S.B. No. 1229, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 938 was adopted and S.B. No. 1229, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE LICENSING OF DENTAL HYGIENISTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 943 (S.B. No. 1009, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 943 was adopted and S.B. No. 1009, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INDIVIDUAL DEVELOPMENT ACCOUNTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 944 (S.B. No. 1380, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 944 was adopted and S.B. No. 1380, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS BILL OF RIGHTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 945 (S.B. No. 1347, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 945 was adopted and S.B. No. 1347, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO REAL PROPERTY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 947 (S.B. No. 35, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 947 was adopted and S.B. No. 35, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 948 (S.B. No. 639, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 948 was adopted and S.B. No. 639, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 950 (S.B. No. 1634, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 950 was adopted and S.B. No. 1634, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 953 (S.B. No. 1650, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 953 was adopted and S.B. No. 1650, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII NATIONAL GUARD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 956 (S.B. No. 1817, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 956 was adopted and S.B. No. 1817, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 958 (S.B. No. 1262, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 958 was adopted and S.B. No. 1262, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAIANAE COAST," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 959 (S.B. No. 1427, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 959 was adopted and S.B. No. 1427, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT OF HIGH ENERGY

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

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

Stand. Com. Rep. No. 960 (S.B. No. 789):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 960 was adopted and S.B. No. 789, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR HOME AND COMMUNITY BASED SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 961 (S.B. No. 1232, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 961 was adopted and S.B. No. 1232, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE MAUI AIDS FOUNDATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 962 (S.B. No. 27, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 962 was adopted and S.B. No. 27, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KAPIOLANI CHILD AT-RISK EVALUATION PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 963 (S.B. No. 561, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 963 was adopted and S.B. No. 561, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER COORDINATOR POSITION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 964 (S.B. No. 1780, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 964 was adopted and S.B. No. 1780, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON FATHERHOOD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 965 (S.B. No. 467, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 965 was adopted and S.B. No. 467, 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 (Ihara).

Stand. Com. Rep. No. 966 (S.B. No. 613, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 966 was adopted and S.B. No. 613, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTERMEDIATE SANCTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 968 (S.B. No. 1325, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 968 was adopted and S.B. No. 1325, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC VOTING REQUIREMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 969 (S.B. No. 1570):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 969 was adopted and S.B. No. 1570, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMMUNITY-BASED REINTEGRATION PROGRAMS FOR FEMALE OFFENDERS TRANSITIONING FROM PRISON TO THE COMMUNITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 971 (S.B. No. 61, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 971 was adopted and S.B. No. 61, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 975 (S.B. No. 788, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 975 was adopted and S.B. No. 788, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE VOLUNTARY RESPONSE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 977 (S.B. No. 1687, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 977 was adopted and S.B. No. 1687, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE STOCK OWNERSHIP PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 981 (S.B. No. 741):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 981 was adopted and S.B. No. 741, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 984 (S.B. No. 763, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 984 was adopted and S.B. No. 763, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EXTERNAL REVIEW PANELS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 986 (S.B. No. 911, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 986 was adopted and S.B. No. 911, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 989 (S.B. No. 817, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 989 was adopted and S.B. No. 817, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYMENT SECURITY LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 990 (S.B. No. 1250, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 990 was adopted and S.B. No. 1250, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL SUBSTITUTE TEACHERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 991 (S.B. No. 845, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 991 was adopted and S.B. No. 845, S.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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 992 (S.B. No. 1136, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 992 was adopted and S.B. No. 1136, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII PUBLIC PROCUREMENT CODE,"

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

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

Stand. Com. Rep. No. 994 (S.B. No. 1081, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 994 was adopted and S.B. No. 1081, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR POUHALA MARSH EDUCATION AND JOB TRAINING CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 998 (S.B. No. 708, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 998 was adopted and S.B. No. 708, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 846E," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1002 (S.B. No. 1778, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1002 was adopted and S.B. No. 1778, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

RECOMMITTAL OF SENATE BILLS

Stand. Com. Rep. No. 695 (S.B. No. 1135):

On motion by Senator Hee, seconded by Senator Baker and carried, Stand. Com. Rep. No. 695 and S.B. No. 1135, entitled: "A BILL FOR AN ACT RELATING TO INTEREST AND USURY," were recommitted to the Committee on Judiciary and Hawaiian Affairs.

S.B. No. 829, S.D. 1:

On motion by Senator Hee, seconded by Senator Baker and carried, S.B. No. 829, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," was recommitted to the Committee on Judiciary and Hawaiian Affairs.

S.B. No. 1756, S.D. 1:

On motion by Senator Hee, seconded by Senator Baker and carried, S.B. No. 1756, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," was recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 895 (S.B. No. 1727, S.D. 2):

On motion by Senator Hee, seconded by Senator Baker and carried, Stand. Com. Rep. No. 895 and S.B. No. 1727, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 908 (S.B. No. 1343, S.D. 1):

On motion by Senator Hee, seconded by Senator Baker and carried, Stand. Com. Rep. No. 908 and S.B. No. 1343, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY SHELTERS," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 1000 (S.B. No. 1366, S.D. 2):

On motion by Senator Hee, seconded by Senator Baker and carried, Stand. Com. Rep. No. 1000 and S.B. No. 1366, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were recommitted to the Committee on Ways and Means.

THIRD READING

S.B. No. 440, S.D. 1:

Senator Hanabusa moved that S.B. No. 440, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble then offered the following amendment (Floor Amendment No. 1) to S.B. No. 440, S.D. 1:

SECTION 1. Senate Bill No. 440 S.D. 1, section 1 is unamended.

SECTION 2. Senate Bill No. 440 S.D. 1, section 2 is amended to read:

“§11-A Prohibition of fundraising on state or county property. (a) Except as provided in subsection (b), it shall be unlawful for any person to solicit a donation of money or other thing of value in connection with an election campaign in a government facility that is used for the discharge of official duties by an officer or employee of the State or county.

(b) Subsection (a) shall not apply to any government facility that permits use by nongovernmental organizations for a fee or with reservations; provided the governmental facility’s use regulations do not prohibit political activities on the premises. Government facilities that permit use for political activities shall be available to a candidate or committee for fundraising activities pursuant to the same terms and conditions that would otherwise apply to use by nongovernmental organizations.

(c) A person who violates the prohibition of fundraising on state or county property shall be guilty of a misdemeanor.

§11-B Limit on contributions from nonresident individuals and persons. Contributions from individuals who are not a resident of the State at the time the contributions are made or from any person, including a noncandidate committee, organized under the laws of another state, resident in another state, or whose participants are not residents at the time the contributions are made shall not exceed thirty per cent of the total contributions received by a candidate or candidate’s committee during the election period.

§11-C Contributions or expenditures by banks, ~~or~~ corporations, or labor organizations prohibited. (a) No state or national bank, ~~or~~ corporation, or labor organization, shall make a contribution or expenditure in connection with any candidate or candidate committee except as provided in this section.

(b) No officer or director of any corporation or any state or national bank or any officer of any labor organization shall consent to any contribution by the corporation, ~~or any~~ state or national bank, or labor organization, directly to a candidate

committee, as the case may be. No person shall accept or receive any contribution prohibited by this section.

(c) This section shall not prohibit the use of funds for the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by a state or national bank, [Ø] corporation, or labor organization for the purpose of influencing the nomination for election, or election, of any person to political office.

(d) It shall be unlawful for the separate segregated fund to use contributions secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction.

(e) Any person soliciting an employee for a contribution to such a fund shall inform the employee at the time of the solicitation of the employee's right to refuse to contribute without any reprisal.

(f) It shall be unlawful for:

(1) A state or national bank, or a separate segregated fund established by a state or national bank, to solicit contributions to the fund from any person other than its stockholders and their families and its executive or administrative personnel and their families; and

(2) A corporation, or a separate segregated fund established by a corporation, to solicit contributions to the fund from any person other than its stockholders and their families and its executive or administrative personnel and their families.

(3) A labor organization, or a separate segregated fund established by a labor organization, to solicit contributions to such a fund from any person other than its members and their families.

(g) No funds for a separate segregated fund established by any state or national bank, [Ø] corporation, or labor organization may be from dividends, bonuses, or any form of payment to stockholders and their families and its executives or administrative personnel and their families, paid solely for making a contribution to the fund."

SECTION 3. Senate Bill No. 440 S.D. 1, sections 3 through 30 are unamended.

Senator Trimble moved that Floor Amendment No. 1 be adopted, seconded by Senator Hogue.

Senator Trimble rose to speak in favor of the amendment and stated:

"Colleagues, corruption is the cruelest tax. It warps the decision-making process. It demoralizes the public sector, and it reflects poorly upon us as a society.

"Last year, we passed a bill that would ban corporate and union contributions. Last year, every member in this Body voted for a bill that would ban both union and corporate contributions, except one, and I actually don't see that person present. What I ask you to do today is to consider the amendment that I propose that would reinsert, simply reinsert, the ban not only on corporations but also upon unions, which was taken out of an earlier draft of S.B. No. 440.

"I urge that you consider that corruption of money in the political process should not, and does not, distinguish between whether it comes from a corporation or a union. Therefore, I urge you to vote for this amendment, and Mr. President, I ask for a Roll Call vote."

Senator Hanabusa rose to speak in opposition to the amendment as follows:

"Mr. President, I rise to speak in opposition to Floor Amendment No. 1.

"First of all, Mr. President, I'd like a little leeway here, and to acknowledge the fact that the only change to S.B. No. 440 is this specific provision. I'd like to inform everyone that S.B. No. 440 is actually the bill that was proposed by Mr. Watada, and the changes that were made to this bill were, for the most part, in reaction to an Attorney General's opinion and Mr. Watada's responses.

"We have three primary pieces of testimony that we received: first, the Attorney General's; second, Mr. Watada; and third being one from HGEA. HGEA was in complete opposition to this measure.

"Mr. President, over the years we have attempted to get a campaign spending bill through this Body. The Senate has done it and it has basically died in the next Chamber, or we haven't been able to work it out in Conference and therefore it never reaches back to us.

"Mr. President, this amendment asks to reinsert in S.B. No. 440 a prohibition against labor organizations. Mr. President, this Chair, your Chair of Judiciary, has included it in the past. The reason the Judiciary Committee agreed to exclude labor organizations is a very practical one, and the practical aspect of it is that labor organizations really do represent its membership. It is a different situation from big corporations or banks. They are actually membership driven. They are the way a group speaks together, and that is the whole concept of labor organizations – it is the ability to act in concert.

"We believe that amendment will put forth this bill to the next Chamber and we can have further discussion on it throughout this process. For that reason, Mr. President, after your Chair and the Committee listened to what we had before us, I believe that this amendment is one that we should not put forth at this time, and recognizing that this is Third Reading in the Senate only, hopefully this bill will move forward and we will be able to go on from here.

"Mr. President, it's just the labor organizations. There was no opposition to the banks and corporations, which we've had in the past. This is the only area that we had any opposition, and with that in mind, I believe that this bill has a good chance of survival.

"Thank you, Mr. President."

Senator Hemmings rose to speak on the amendment as follows:

"Mr. President, I rise to speak in favor of the motion.

"This isn't just a labor union. This is simply unfair to allow one dominant special interest group to hold sway over the campaign spending initiative and allow their money to be put into the process to influence decision making while everybody else is banned from the corporate level. The logic put forth by the Senate Judiciary Chair regarding labor unions being members of this organization, and quote, unquote, 'corporations' are just some nebulous organizations out there without any foundation is simply specious, at best, and outright inaccurate would probably be a better description.

"Stockholders who take money out of their pockets and put it into corporations have a huge vested interest in the welfare of their companies. I would suggest that they have just as much, or maybe even more, since it's their money on the line, than

members of the labor union would have. Labor, corporation, it's about time we stopped dividing those entities and we start working together to try to make things good for everybody in Hawaii. And obviously, we'll be hearing those issues more today.

"But if the Majority Party is really interested in a level playing field that benefits the people that sent us here, they would pass this amendment to do just what the Senator who's proposing this amendment wants – eliminate money from corrupting the election process. So if you vote against this amendment, I think you're voting against fairness and a level playing field for the campaign process. I would urge my colleagues to think about it before casting your vote today.

"Thank you."

Senator Slom rose to speak in favor of the amendment and said:

"Mr. President, colleagues, I rise in very strong support of this amendment. I've never heard a weaker argument by the Senate Judiciary Chair on any bill, any measure, any incident.

"And the fact of the matter is, as was said by the proponent of this amendment, we have voted on this bill before. The Judiciary Chair acknowledged that we had, that we passed it, that it was the other house that didn't respond.

"The issue is campaign spending reform – genuine and meaningful reform. How can you have genuine and meaningful reform when you take one of the key elements – organized, compulsory labor unions – out of the mix? And what is the argument? Well, we don't think we can get it passed with them in it, and they're the only ones that complained.

"Well, that's a good point. I wonder where all the people are that always support campaign spending reform that want the fairness and the level playing field that the Minority Leader was speaking about. We didn't hear from them this year either. Is it just another recognition that the labor unions, in fact the labor union bosses, do control not only this Legislature, but the social, economic, and political machinations of this State, because that's the only reason that's given. It's not given that it won't work, that it couldn't work, that it shouldn't work, because morally, everyone in this room knows that it should be included. It's a question of fairness; it's a question of equity.

"And again, the issue really is campaign spending reform and how can we have campaign spending reform without this amendment, as we always had before. It is an abdication by the State Senate to forces outside this room, to the House, to the labor union bosses. And I say labor union bosses because let's not kid ourselves when we talk about membership and labor unions. We've seen in the past the labor unions have fought amongst each other, the members have filed grievances against their union heads, and members are the first ones to tell you they don't want their dues money, their benefit money, used for political purposes without their choices. And yet, that's what we're going to do. We're going to continue to subjugate the members.

"As far as the Attorney General, I don't know what kind of papers or conversations the Judiciary Chair is alluding to, but I can tell you this – that my reading of the law indicates that if we do pass this, it will not pass constitutional muster because we are separating classes of people and saying this applies to one class but we're giving a free ride to another class. What the bottom line is, Mr. President and colleagues, is it's not fair, it's not moral, and you know it.

"Please support this amendment. Thank you."

The motion to adopt Floor Amendment No. 1 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following showing of Ayes and Noes:

Ayes, 5. Noes, 18 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui). Excused, 2 (Ihara, Inouye).

At 10:29 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:29 o'clock a.m.

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

Senator Trimble rose and said:

"Please note my reservations, Mr. President."

The Chair so ordered.

The motion to pass S.B. No. 440, S.D. 1, on Third Reading was then put by the Chair and carried, S.B. No. 440, S.D. 1, 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, 20. Noes, 4 (Hemmings, Hogue, Slom, Whalen). Excused, 1 (Ihara).

At 10:31 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:33 o'clock a.m.

Stand. Com. Rep. No. 852 (S.B. No. 738, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 852 be adopted and S.B. No. 738, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble then offered the following amendment (Floor Amendment No. 2) to S.B. No. 738, S.D. 1:

SECTION 1. Senate Bill No. 738 S.D. 1, section 1 is unamended.

SECTION 2. Senate Bill No. 738 S.D. 1, section 2 is amended to read:

"SECTION 2. Forty per cent of all unexpended and unencumbered moneys remaining in the general fund at the close of fiscal year 2004-2005 pursuant to section 40-65 and section 40-66 shall transfer to the credit of the Employees' Retirement System."

SECTION 3. Senate Bill No. 738 S.D. 1, section 2 is amended by amending line 12 on page 2 to read:

"SECTION 3. New statutory material is underscored."

SECTION 4. Senate Bill No. 738 S.D. 1, section 3 is amended by amending line 13 on page 2 to read:

"SECTION 4. This Act shall take effect upon its approval"

Senator Trimble moved that Floor Amendment No. 2 be adopted, seconded by Senator Hogue.

Senator Trimble rose to speak in favor of the amendment as follows:

“You know, colleagues, one of the unfortunate things in this Chamber is that very few of us has ever worked for state government. And that puts us at a disadvantage because we tend to make laws without an understanding of what motivates the civil service system, government bureaucracy, to either spend or not spend money.

“We have indeed created a system that rewards failure by increasing resources and personnel. At the same time, we have a negative reward structure for those that come in under budget or don’t fill positions because this Body, in its Ways and Means Committee, removes those positions and cuts budgets of those departments and those branches that operate more efficiently than anticipated.

“The second major problem in state government for the wasting of money has to do with the way the executive branch handles the end of the fiscal year. At the end, starting on July 1st every year, the Departments and Budget and Finance and DAGS are so engrossed in trying to figure out how much money was spent and how much money is left, that new purchase orders are not processed for a two- to six-week period. How government employees respond to this uncertainty is to spend money before the end of the previous fiscal year to stockpile those resources they think they’ll need to have.

“Given the way that people in government respond to uncertainty and respond to the reward structure, I think it’s important that we give them a positive incentive, an incentive that says if you don’t spend that last dollar or that last ten dollars, that something good will happen. The incentive I’m talking about is by saying that on June 30th, 40 percent of the unencumbered balance in the general fund will be made as a one-time transfer to the Employees’ Retirement System. We have discussed last year and the year before last, the problem with a significantly underfunded Employees’ Retirement System. What you don’t know, my colleagues, is that government employees not only worry about the day they’re going to retire, whether it’s tomorrow or ten years from now, but they also worry about whether there will be sufficient resources in the Employees’ Retirement System to take care of them in their golden years.

“So what this amendment does is it provides a positive incentive for those people in the civil service system that are actually making the purchasing decisions as to whether the money is to be spent or to be saved – what is more important – and taking a fraction of that and transferring it to the Employees’ Retirement System, which is significantly underfunded.

“I urge your support for this amendment. It will be popular with your colleagues who are government employees, and I request a Roll Call vote.”

Senator Kanno rose to speak in opposition to the amendment and stated:

“Mr. President, I rise to speak in opposition to the floor amendment.

“Mr. President, although the proposal is a very creative approach, the provisions in the floor amendment have not had a public hearing. Also, the floor amendment calls for 40 percent of all unexpended and unencumbered monies in the general

fund to be transferred to the Employees’ Retirement System. Each year, the carryover balance is critical in moving forward with a balanced budget.

“I urge my colleagues to vote ‘no.’ Thank you.”

The motion to adopt Floor Amendment No. 2 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following showing of Ayes and Noes:

Ayes, 5. Noes, 19 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Inouye, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui). Excused, 1 (Ihara).

At 10:40 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:42 o’clock a.m.

The motion to adopt Stand. Com. Rep. No. 852 and pass S.B. No. 738, S.D. 1, on Third Reading was then put by the Chair and carried, Stand. Com. Rep. No. 852 was adopted and S.B. No. 738, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 902 (S.B. No. 960):

Senator Taniguchi moved that Stand. Com. Rep. No. 902 be adopted and S.B. No. 960, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings then offered the following amendment (Floor Amendment No. 3) to S.B. No. 960:

SECTION 1. Senate Bill No. 960, section 1 is amended as follows:

“SECTION 1. The recent tsunami in southeast Asia claimed the lives of hundreds of thousands of people and caused widespread economic devastation estimated in the billions of dollars. This situation is made even more tragic with the realization that additional lives could have been spared and businesses and property protected if adequate tsunami preparedness measures, such as warning sirens, a mobile civil defense alert system or evacuation plans, were in place.

Hawaii is no stranger to the destruction and devastation that tsunamis can bring. Hawaii’s geographical location makes it especially vulnerable to tsunamis that can strike in a matter of hours due to an earthquake in Asia thousands of miles away or seismic activity beneath the ocean floor. Hawaii’s experience with tsunamis has led to the creation of a well-coordinated tsunami monitoring and forecast system among federal, state, and county governments. However, even with this comprehensive, state of the art monitoring system in place, Hawaii’s tsunami preparedness efforts have not kept pace. Antiquated siren systems, outdated evacuation maps in phone books, insufficient shelter space, limited public education projects, underutilization of available mobile text messaging technology, and lack of around-the-clock alert staff means that Hawaii residents may lose critical seconds in evacuation time or, worse, be unable to access shelter in the event a tsunami hits.

The purpose of this Act is to appropriate funds for tsunami preparedness efforts, including maintaining and installing new siren systems, updating evacuation maps in phone books, constructing additional shelter space and retrofitting existing

public buildings that could serve as emergency shelters, providing around-the-clock alert staff for the civil defense division, expanding public education campaigns emphasizing the need for tsunami preparedness and authorizing the department of defense to establish, as a two-year pilot program, an opt-in mobile civil defense alert system to residents and visitors on an opt-in basis without cost to the state of Hawaii."

SECTION 2. Senate Bill No. 960, section 2 is unamended.

SECTION 3. Senate Bill No. 960, is amended by adding a new section, section 3, to read:

"SECTION 3. The department of defense is authorized to establish, as a two-year pilot program, an opt-in mobile tsunami alert system, utilizing a participating mobile data communications company, or companies, with interoperable platform exchange capability allowing messaging across all mobile standards, protocols and the Internet. The system is to be offered to residents and visitors on an opt-in basis; without cost to the state of Hawaii and without cost to visitors and residents who choose not to participate."

SECTION 4. Senate Bill No. 960, section 4 is amended to read:

"SECTION [3]4. The sum appropriated shall be expended by the department of defense for the purposes of this Act."

SECTION 5. Senate Bill No. 960, section 5 is amended to read:

"SECTION [4] 5. This Act shall take effect on July 1, 2005."

Senator Hemmings moved that Floor Amendment No. 3 be adopted, seconded by Senator Hogue.

Senator Hemmings rose to speak on the amendment and said:

"Mr. President, I can see that the wagons are circled pretty tightly in the Majority Party, but nevertheless, I'd like to put this motion into play for the purposes of hopefully doing something in the House of Representatives or moving on this at some later date when it goes to Conference.

"This simple amendment would strengthen our civil defense system considerably and bring the technology into the 21st century by allowing mobile messaging systems to be plugged into the civil defense system. In other words, your cell phone could be used as an early warning device. For your information, there are currently 150 siren gaps in the tsunami warning system throughout the State of Hawaii, so there are many areas where people will not have sirens. And as we well know, approximately 87 percent of the people who carry cell phones have them with them at any given time. They don't have radios and if they're out of the range of the sirens, they will not get warnings. This would allow mobile messaging to be plugged into the phone. It would be an automatic dial system where a third provider would dial into your system and give you the warning directly from the Civil Defense.

"Number two, it has a tremendous technological advantage for the simple reason that if there's a huge quake on the east plank of the Big Island, for instance, that results in a tsunami, the geophysicists estimate there would be approximately 17 minutes for the people of Oahu to prepare for a tsunami. This would obviously give access to many people who would not hear the sirens, or if so, would not be inclined to take immediate action.

"This technology is being used by civil defense systems in Hong Kong, Israel, the Netherlands, and Sweden. After the terrible quake in the Indian Ocean, Australia and India are also creating similar systems. In America, Washington, D.C., Arlington County in Virginia, Fairfax County, and several other counties are conducting the test as this amendment proposes.

"I would urge my colleagues to give this serious consideration and vote in favor of it so we can send over to the House of Representatives an early warning system that would bring the whole system into the 21st century. Right now, we're using sirens and radios. That's what we were using 50 years ago and it has many gaps in it. This would bring us into the 21st century and allow the system to be utilized accordingly.

"I would urge my colleagues to vote in favor of this amendment, and we'll see what happens. I would also like to have a Roll Call vote. Thank you, Mr. President."

Senator Taniguchi rose to speak on the amendment as follows:

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

"Although I'm speaking against the amendment, I think the Senator from Waimanalo makes a good point. So I guess what we'll try to do is incorporate his discussion of this as we go through the process. But at this point, it's probably not necessary to do this, and I urge my colleagues to vote 'no.'"

Senator Trimble rose to speak in favor of the amendment and stated:

"Mr. President, I guess it is fitting that the Senator from Manoa talks about the process and that is why I rise – because if it is a Republican idea, the process doesn't work. In Democrat-controlled committees, it tends to be the Democrat bills that are introduced that get a hearing, that get discussed, that get voted on. That is why we have had to resort this morning to bring out good ideas and to hopefully seek open minds so that they can be discussed and they can be considered.

"I urge that you vote in favor of this bill. Thank you."

Senator Inouye rose to speak in opposition and said:

"Mr. President, I speak against this measure.

"On behalf of the Committee on Transportation and Government Operations, civil defense has come under our purview and we've had many discussions on bills that we will be voting on today and some that we have already approved on Consent Calendar. We've had many discussions with regards to civil defense operations and hopefully at that time it should have been brought up.

"And on a point of personal privilege, Mr. President, I'd like to add that I believe that this measure – that my colleague to my right, as kind as he is, but as kind as we all are – I have heard several measures of the Minority Party in my Committee and they're moving and so I think there's some on our table as well. We've had several informational briefings where I've allowed the Minority Party to sit on my table as well and offer to ask questions. So, to my colleague on my right, I think that we all make decisions to the best of our abilities as well.

"Thank you, Mr. President."

Senator Trimble rose to speak in rebuttal and said:

"Mr. President, the previous remarks that I made, if they were interpreted by the Senator to my left as referring to the good Senator from the Big Island, they were not directed at her.

"So, if my remarks were said and interpreted that way, I apologize to the Senator to my left."

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

"Does that means it was intended for me?" (Laughter.)

The Chair replied:

"I guess so."

Senator Taniguchi continued:

"Again, Mr. President, I believe we've tried in the Ways and Means Committee also to be very open to ideas. I think we've discussed a lot of things. In many instances, we've heard the bills of the administration. I remember that the Governor is a Republican and that we've heard administration bills. It's my understanding that in many cases, members of the Minority have voted against the Governor's bills.

"So, I really want to state that I believe that the good Senator from Waikiki might be a little misguided on this one.

"Thank you."

Senator Hee rose on a point of personal privilege and stated:

"Mr. President, one need only look at the two confirmations of Betsy Strance and Richard Bissen to know that the wagons are not always circled as tight as the Republicans would like the public to believe.

"Thank you."

The motion to adopt Floor Amendment No. 3 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following showing of Ayes and Noes:

Ayes, 5. Noes, 19 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Inouye, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui). Excused, 1 (Ihara).

The motion to adopt Stand. Com. Rep. No. 902 and pass S.B. No. 960 on Third Reading was then put by the Chair and carried, Stand. Com. Rep. No. 902 was adopted and S.B. No. 960, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 10:50 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:52 o'clock a.m., with the Vice President in the Chair.

THIRD READING

S.B. No. 438:

On motion by Senator Hanabusa, seconded by Senator Hee and carried, S.B. No. 438, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC FINANCIAL DISCLOSURE

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

Ayes, 22. Noes, none. Excused, 3 (Ihara, Slom, Trimble).

S.B. No. 439:

Senator Hanabusa moved that S.B. No. 439, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble rose in support of the measure and said:

"Madam Vice President, may I rise to speak in favor of this bill? These remarks apply equally as well to the previous bill. I rise to speak in favor of the bill.

"It's a good bill. The only question I have to ask is, 'Why now?' Why is this Body suddenly interested in greater disclosure and expanding the public's knowledge in the general area of ethics. I think it's good. I think it's overdue, and I will be voting in favor of this measure."

The motion was put by the Chair and carried, S.B. No. 439, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE FINES UNDER THE STATE ETHICS CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 595, S.D. 1:

Senator Hanabusa moved that S.B. No. 595, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble rose to speak in support with reservations and stated:

"Madam Vice President, I speak with reservations. What I want to know is if the Office of Elections does not get around to . . ."

Senator Baker interjected:

"Is the Senator speaking for or against the measure?"

Senator Trimble replied:

"I'm speaking for the measure with reservations.

"The problem and dilemma I have on this bill is, what if the Office of Elections does not get around to deciding who is authorized to train and how the workers are going to be certified? And if they don't get around to doing it then we won't have the option of having poll watchers.

"I'm also concerned that the deadline for submission of names for poll watching has been reduced from 30 days to 10, so I'll be voting with reservations.

"Thank you."

Senator Hanabusa rose to speak on the measure as follows:

"Madam President, I'm responding. I assume that was a question directed at the Chair more than rhetorical. But in the interest that it was a question, let me respond to the statements made by the previous speaker.

"This bill was amended so that it is 30 days now, and the reason why it went to 30 days was it was a compromise with the Office of Elections. The training is to be done like any precinct worker, and that is the concern of the Office of Elections. The reason why the names have to come earlier rather than later is because of the fact that they are required to have sufficient time in order to train. That's where the 30-day compromise was reached. The original bill was 90 days, and it went to 30.

"Thank you very much."

The motion was put by the Chair and carried, S.B. No. 595, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTION DAY POLL WATCHERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 600:

Senator Hanabusa moved that S.B. No. 600, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Whalen rose in opposition to the measure and said:

"Madam President, I rise in opposition to the measure.

"Briefly, I'd just like to note that on one of the bills that we passed already, we're lowering the age of CDL, commercial driver's licenses, to age 18 that someone can get it at. They can drive around with explosives in the back of their semi truck and yet we're raising the age that they can own a gun to 21.

"In the committee report, it referred to wanting people experienced that know how to handle the guns. That's why we're raising the age. I have preteens in my district who know more about guns, probably, than most of the adults in this building. I don't think that the age itself is the criteria. If we were worried about knowledge and experience that's one issue, but to simply raise the age, I believe it's merely another effort to take guns away from people.

"Thank you."

Senator Hemmings rose to speak in opposition to the measure and stated:

"Madam Vice President, yesterday we had a memorial service. Parenthetically, it was one of the more emotional functions I've been to. We laid to rest a number of good Marines, some of whom were 19 or 20 years old who recognized that the Second Amendment of the United State's Constitution was a very well-thought-out document in the course of the history of this country.

"They went overseas, some of them 18, 19 years old, and put their lives on the line and paid the ultimate price for the right to bear firearms. The record should also note that if you read the Federalist Papers and other writings regarding the Second Amendment, it wasn't written specifically for hunters. It was written for people, citizens, to bear firearms in case they have to rise up against a tyranny.

"This amendment is just as precious to the Constitution as many others that we defend on this Floor. I would urge my colleagues to think about these things before they rush on to politically correct votes that sound so wonderful in the eyes or in the ears of some of the beholders. We have these laws, and we have a Constitution that was well thought out and has stood the test of time. And also think about those 18-, 19-, 20-year-

old young men and women who are bearing firearms to defend our right to be even talking about issues like this today.

"I urge my colleagues to vote 'no' against this legislation. It sounds politically correct, but it is not fair, and it is not in tune with the Constitution of the United States of America."

Senator Slom rose in opposition to the measure and said:

"Madam Vice President, I rise in opposition to the bill.

"Adding to what's been said already, in all of the testimony that was presented for this bill, there were no problems that were discussed, no crimes have occurred because 18-year-olds were allowed to transfer firearms. And that's what we're talking about. We're talking about transfers here.

"Certainly, this is a state's right to determine the age and the details of this kind of transfer; however, I would remind my colleagues that the vast majority of states do follow the federal law, which is age 18. So, with no legal issues, no problems, I don't see why we should introduce or support this bill, and I urge a 'no' vote.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 600, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS, AMMUNITION, AND DANGEROUS WEAPONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

S.B. No. 436:

Senator Hanabusa moved that S.B. No. 436, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble rose to speak in support of the measure as follows:

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

"I favor increasing the number of people who have to disclose or prepare financial statements and submit them to the Ethics Commission. The only question that I would raise is one that I raised a few bills earlier – why now? Why the sudden interest now?

"Thank you, Madam Vice President."

The motion was put by the Chair and carried, S.B. No. 436, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL DISCLOSURE STATEMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 437:

Senator Hanabusa moved that S.B. No. 437, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble rose to speak in support of the measure and stated:

"Madam Vice President, again I rise to speak in favor of this bill.

“And again I ask the question, ‘Why now?’ I support the idea of increasing the conflict of interest portion of the statement. I think it’s appropriate, but why now?”

“Thank you.”

Senator Tsutsui rose to speak in support of the measure and said:

“Madam President, I rise in support, and ask, ‘Why not now?’”

The motion was put by the Chair and carried, S.B. No. 437, entitled: “A BILL FOR AN ACT RELATING TO CONFLICTS OF INTERESTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 643 (S.B. No. 536):

Senator Hanabusa moved that Stand. Com. Rep. No. 643 be adopted and S.B. No. 536, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Slom rose in opposition to the measure and said:

“Madam President, I rise in opposition to this bill.

“What this bill allows, of course, is the unions, the same unions we exempted from campaign spending, to come and picket on a private person’s residence. And that private person can be the head of a company, can be an employee of a company, could be a stockholder, could be an interested individual, could be a spouse. But what it allows is pickets to come to the personal residence and to either provide strike information or picketing information there.

“I think the courts have held that certainly a person has an absolute right to their private property in terms of picketing, and I think this goes against that. But again, common sense and clear morality would tell you that this is not the right place and not the right forum for labor disputes.

“Thank you.”

Senator Kanno rose to speak in support of the measure and said:

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

“The enforcement of Chapter 379A is unconstitutional and preempted by the National Labor Relations Act. The U.S. Supreme Court has consistently held that state laws are powerless to restrict a labor union’s peaceful picketing activity because the legality of picketing is decided solely under federal law.

“In Hawaii, several incidents have occurred wherein the attempted enforcement of this Chapter resulted in the issuance of letters of admonishment by the legal counsel for the unions. These letters indicated that the enforcement of this law could result in the filing of a lawsuit against any officer, as well as the government, for false arrest and constitutional violations. Consequently, no enforcement of this law has resulted. If a law is unenforceable and in conflict with federal labor laws and policy, it should not remain in the statutes, as its continued existence places law enforcement officials at risk of lawsuits for

false arrest and acts to divest individuals of constitutionally protected rights.

“Madam President, the Labor Committee heard another measure that would have allowed unions to picket on private property at a mall, shopping center, resort, or hotel complex, provided that the picketing is limited to areas accessible to the general public. The bill was not passed because of testimony submitted about it being unconstitutional. Workers are not allowed to picket in these areas.

“Madam President, in this instance, in regards to S.B. No. 536, we should support the free speech rights of workers to picket on public property and in a peaceful manner.

“Thank you.”

Senators Sakamoto, Tsutsui, Baker, Nishihara and Fukunaga requested their votes be cast “aye, with reservation,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 643 was adopted and S.B. No. 536, entitled: “A BILL FOR AN ACT RELATING TO LABOR DISPUTES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 9 (Chun Oakland, Hemmings, Hogue, Ige, Inouye, Kim, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 644 (S.B. No. 925, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 644 be adopted and S.B. No. 925, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

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

“Madam President, I rise in opposition to this bill.

“This will be one of a series of bills confronting us today which basically tries to interfere with the executive’s power of appointment and the executive’s duties. We’re going to see a number of bills today where this is being attempted, and while this Legislature, this Senate, may pass these bills, I think that they will fail the test of separation of powers. So I urge a ‘no’ vote.

“Thank you.”

Senator Kokubun rose to speak in support of the measure as follows:

“Madam Vice President, with respect to the previous speaker’s comments, this does not take away the Governor’s right to appoint. She is just being asked to select from a list of three names submitted by the Office of Hawaiian Affairs for one position on the Land Use Commission.

“As my colleagues all know, there are nine members on the Commission. There is one member from each of the counties, four at-large, and now there would be one selected from a list of three submitted by the Office of Hawaiian Affairs.

“Madam Vice President, I would also like to point out that in testimony delivered by the Land Use Commission Executive Officer, he indicated that there was a Supreme Court decision that concluded that the Land Use Commission has a statutory and constitutional obligation to preserve and protect customary and traditional rights of Native Hawaiians. Given the LUC’s constitutional and statutory obligation to carefully weigh all

impacts of any proposed project against the benefits of the project, the Land Use Commission believes that the decision-making capacity of the Commission can only be enhanced by ensuring that at least one of its members has been nominated by the agency established by the State Constitution as responsible for programs and activities related to Native Hawaiians.

“With that, I ask all my colleagues to support this measure. Thank you.”

Senator Whalen rose in opposition to the measure and said:

“Madam Vice President, I rise in opposition.

“My opposition is different, that’s why I’m speaking. It is my belief that the Land Use Commission should be considering this regardless of their background. There should be no one appointed to this Commission who doesn’t fulfill that constitutional role.

“Just recently in my district, and the previous speaker would certainly be aware of this, the Burial Council made a decision regarding a site that has halted a very needed road in my district. When interviewed, a number of the members of the Burial Council said that their goal was simply to preserve the past. They didn’t take into account the benefit for the community or the public need for this road; simply, how are we going to protect the burial sites.

“My concern is that if we begin to head down this road of appointing people to this Commission with their one special interest in mind, we will begin to get skewed decisions that do not take into account the balancing factor that this Commission needs to do and instead simply focus in on what their one goal is.

“And if we are appointing anyone to any commission who has that type of mindset, I think we are making a mistake. This bill, I think, moves us much closer to not only allowing it, but mandating that we appoint people with a single purpose in mind.

“So for that reason, I oppose it.”

Senator Kokubun rose in rebuttal and said:

“Madam Vice President, may I rise in rebuttal, please?

“Again, this is a situation where members of the Land Use Commission are nominated by the Governor and confirmed by the Senate. So there are numerous opportunities for us to review and look at any of the potential candidates and be sure that their biases and/or perspectives are balanced, and I think that is again, the responsibility of this Body.

“So I do not think that just because one of the nominees is going to be nominated or selected from a list of three submitted by the Office of Hawaiian Affairs, that it indicates that there is going to be any problem with that respect.

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 644 was adopted and S.B. No. 925, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE LAND USE COMMISSION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

At 11:09 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:10 o’clock a.m.

Stand. Com. Rep. No. 648 (S.B. No. 1884, S.D. 1):

Senator Hee moved that Stand. Com. Rep. No. 648 be adopted and S.B. No. 1884, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Whalen rose to speak in opposition to the bill and stated:

“Madam Vice President, I rise in opposition.

“The problem I have with this is two issues. One is home rule. I don’t think we should be getting into telling the counties what they can and can’t permit. I know we set guidelines for them in our statutes, but I think we are again imposing what we want on the counties when this is really their decision. We gave them that ability and we’re telling them how to use it.

“Secondly, although this might work in some areas, in my district, where there are large, vast areas of just lava fields, for those of you who might be listening, before somebody can get a permit for development, they would have to commit and also connect up all the public access to the beach. So whatever goes through their property, which in my district there are large developments, they would have to have, basically, a shoreline path that they’d have to create. There are areas that are almost impossible to connect that people are looking to develop, and they already are connected out on the public roadway. What this bill is trying to do is force a developer to create another road or path somehow which, of course, would have to be ADA compliant for people to get to walk along the beach, basically.

“I think we’re going too far in our zeal to tell the counties what to do and not taking into consideration this overall impact that it will have on people who are developers. I mean, developers are not evil, and we treat them as such. If properly regulated to make sure they fulfill their obligations, that’s a very important part of our economy.

“Thank you.”

Senator Hooser rose in support of the bill and said:

“Madam Chair, I rise in support.

“I’d like to urge my colleagues to support this bill. It’s a good bill. As someone from the neighbor island, I think it’s important to all of us, the preservation of coastal access, preservation of the public’s right to not just get to the beach, but to walk along the coastline. I’d like to point out that existing law already establishes the right of transit along the shoreline below the private property line, and it actually says, ‘in areas where cliffs or vegetation or the nature of the topography is such where there is no reasonable safe transit for the public, the counties, by condemnation, shall establish the makai boundaries of the property.’ So, this law already directs the counties to condemn the property. What we’re doing is giving the next mechanism by authorizing the counties or requiring the counties to have developers establish that.

“I’d like to point out this is a bipartisan effort also. The Mayor of the County of Kauai, who is a member of the Minority Party, has proposed to the Kauai County Council that developers of projects provide lateral public access along the shoreline, as well as mauka and makai. So I think it’s an idea

that's come and is long overdue, and I urge my colleagues to support it.

"Thank you."

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

Senator Kokubun rose to speak in support of the measure and said:

"Madam Vice President, I just wanted to, for the record, state that I also stand in support of this measure, obviously, but I also wanted to say that there are a number of areas on the Big Island, particularly in West Hawaii, where shoreline access is very important. And I know that there are many community activists for public access, and I believe it was the Senator from West Hawaii who actually acted to create more public access with respect to NELHA and those lands leading up to the Pine Trees area. This is all in the Kohanaiki area.

"So, Madam Vice President, I wanted to just point out to my good friend from West Hawaii that I know he took a very active role in establishing that public access, and I thank him for that.

"Thank you, Madam Vice President."

Senator Whalen rose to speak in rebuttal and stated:

"Madam Vice President, brief rebuttal.

"You know, this isn't about public access because this bill doesn't say we have to create public access. What we're doing is telling someone they have to build a road, path, some sort of connection, through their property to connect up all of this – basically, a pathway along the beach. And as was already noted, it already is public land. If people can walk, they can walk.

"What we're doing is telling the developer they have to make a road or some sort of pathway, and with ADA it's got to have ramps and only a certain degree of angle to go up. It can't just be mowing through lava fields. They're going to have to do it according to all of this. It's a huge expense.

"This is not about public access, despite what you've already heard. This is not about preserving public access because public access is there or it's not. This simply says the developer has to connect them all up. If it's public access, there already is access. This simply is telling the developer they have to connect the public accesses.

"I know this is going to pass – but for anyone who is listening and actually engaged here, what you've actually heard is totally not what the bill is about. The bill is about forcing a developer to pave over, if you'd like, more of our natural areas so that people can have the pleasure of strolling along our shorelines. Whereas in many places it's natural, and people like it, well from now on, if this bill passes into law, there will be now cement paths or roads that go along the beach instead.

"Thank you."

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

"Madam Vice President, point of personal privilege, please, and I'd like to ask several questions to the introducer and perhaps the Chair of the Water Land Committee. In yesterday's discussion, this had hit me in some ways, and in just reading through the bill today, Madam Vice President, I have just a few questions.

"Number one is that in this bill there's no amendments to section (e) on the last page, on page 3 – 'this section shall apply to the plan of any subdivision or development which has not been approved by the respective counties prior to July 1, 1973.' So this bill is not prospective. And that's one question.

"Another concern I have is that I live in a subdivision and most, I would say 95 percent, are elderly and we take care and we certainly look after each other. They are retired nurses, retired teachers, very old single persons. And the concern I have is that we're on the ocean, and this bill is providing lateral public access along the shoreline, and that's a concern that I have. And this bill, is it only for developers, or existing residences throughout the shoreline, throughout the State? So, I think this would allow for certainly the counties to act and make sure they're lateral accesses, and it's a concern of mine.

"So otherwise, I will be voting with reservations, and perhaps move this bill along and maybe we could do some amendments as it crosses over, but just those questions, Madam Chair."

At 11:18 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:20 o'clock a.m.

Senator English rose to speak in favor of the bill as follows:

"Madam Vice President, I rise in support of the measure.

"Madam Vice President, I'd like to just read, for those of us who are engaged in this, to read this because the bill itself clarifies some of the statements made here. And, in pertinent part, on page one it says, 'Public access. (a) Each county shall adopt ordinances that shall require a subdivider or developer, as a condition precedent to final approval of a subdivision, in cases where public access is not already provided, to dedicate land for public access by right-of-way or easement for pedestrian travel from a public highway or public streets to the land below the high-water mark on any coastal shoreline, to connect existing accesses to the shoreline with lateral public access along the shoreline, and to dedicate land for public access by right-of-way from a public highway to areas in the mountains where there are existing facilities for hiking, hunting, fruit-picking, ti-leaf sliding, and other recreational purposes, and where there are existing mountain trails. For the purposes of this subsection, "lateral public access" means land for public access for pedestrian travel alongside a shoreline or coastline.'

"So it's quite clear that we're not talking about paving anything along the oceanfront as was alluded to earlier. We're not talking about anything like that. What we're saying is, connecting the existing accesses and creating new accesses for subdivisions after 1973.

"Thank you."

Senator Kokubun rose to speak in support of the measure and said:

"Madam Vice President, with respect to the questions raised by the good Senator from Hamakua, I did have a chance to speak with her during recess and I just wanted to point out to her, as the previous speaker has said, that this does apply to the fact that we referenced the date July 1, 1973, that's when the shoreline access law was adopted by the State of Hawaii. And also, this only refers to lands that will be subdivided into six or more lots or parcels, so this does not apply to individual landowners currently on existing lots of record.

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 648 was adopted and S.B. No. 1884, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC ACCESS TO SHORELINES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 3 (Slom, Trimble, Whalen). Excused, 5 (Bunda, Hanabusa, Ihara, Nishihara, Taniguchi).

Stand. Com. Rep. No. 651 (S.B. No. 625, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 651 be adopted and S.B. No. 625, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Hogue rose to speak on the bill with reservations and said:

“Madam Vice President, please note my reservations on this. There was some opposing testimony and I think this needs to be cleaned up along the way.

“Thank you.”

Senator Fukunaga rose in support of the measure and stated:

“Madam Vice President, I am rising to speak in support of S.B. No. 625, S.D. 1.

“The only difference that the MAT Committee made to the original bill was to add one word. It clarifies that records of access organizations should be included by the DCCA Director in access organizations’ contracts. I believe much of the testimony from the CPH Committee that subsequently heard this bill was from organizations referring to amendments made in a companion House measure.

“For these reasons, I would like to urge my colleagues to vote in support of S.B. No. 625, S.D. 1.”

Senators Hooser and Trimble 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. 651 was adopted and S.B. No. 625, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CABLE TELEVISION ACCESS ORGANIZATIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Bunda, Ihara, Taniguchi).

S.B. No. 768, S.D. 1:

Senator Menor moved that S.B. No. 768, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

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

“Madam Vice President, I rise in opposition to this measure.

“The committee report noted that in the previous 25 years there have been 13 deaths and six serious injuries related to this sport. It doesn’t seem that there is a compelling or widespread

need for this legislation at this moment, so I will be casting a ‘nay’ vote.

“Thank you.”

Senator Slom rose to oppose the measure and stated:

“Madam Vice President, I, too, rise in opposition to the bill.

“I was here when the original legislation was discussed and passed. I voted against it at that time, saying that there was no demonstrated need for it. Now we’re seeing that after five, six, seven years, that the rules and the law that was passed are unenforceable, but we don’t have any evidence or any inkling of any problems in Hawaii. What we do have is an indication that at one time, when this bill was originally discussed, we used to have a lot of these events sponsored here in Hawaii, and now, I think everybody would have to stretch their memory to remember the last time we had one of these events.

“So it would be best to let the current law exist or to repeal the law altogether. Thank you.”

Senator Baker rose to speak in favor of the bill as follows:

“Madam Vice President, as the author of the original bill outlawing extreme, no-rules combat in Hawaii and as a member of the Consumer Protection Committee, I rise in support of this measure.

“I would note for the record that this is an administration bill, and it came forward from Regulated Industries because there’s been a great influx of promoters of no-rules combat events who want to conduct these activities at the Neal Blaisdell Center and in other places. I would note from their testimony that at the present time, some form of unarmed combat is prohibited in 13 states and regulated in 24 others.

“Section 440D-1, Hawaii Revised Statutes, currently prohibits no-rules combat, extreme or ultimate fighting, or similar contests. However, without specific provisions enabling the Department to appropriately assess a match or an exhibition, enforcement of Chapter 440D has been a time-consuming and labor-intensive process so that the law can be enforced. We are trying to give them the tools that would enable them to do their job more expeditiously.

“The proposed legislation from the administration seeks to address these concerns and recognizes that with certain safeguards, some forms of ultimate fighting can occur in a manner that does not place contestants at unreasonably high risk of bodily injury or death. The safeguards that are set forth in this bill are as follows: (1) contestants are medically fit adults who are not disqualified from competing in another jurisdiction at the time of the match or exhibition; (2) a match is conducted pursuant to the promoter’s rules that protect the safety of contestants; (3) an experienced adult referee is in the ring directing and controlling the match; (4) a licensed physician supervises the match at ringside; and (5) the match is conducted in a manner that will promote the maximum safety of the contestants to the extent feasible, and that finally, promoters submit pre-match and post-match materials to the department for review.

“Madam Vice President, I believe that these are reasonable safeguards. This bill improves the law and makes it easier for DCCA to enforce. I urge all my colleagues to support this measure.”

Senator Hogue rose to speak in support of the measure and said:

“Madam Vice President, I rise in support.

“Colleagues, I’ve been a sportscaster for over half my life, and I have seen a lot of sports and sporting events. And these types of sporting events, and I almost hardly even call them sports, are some of the most violent, and frankly, vile events that you can possibly imagine.

“I can also tell you that there are some times, and I say, ‘some times,’ fly-by-night promoters who come in to promote these matches, and all they’re trying to do is make a buck and get out of town.

“So this measure goes a long way to regulate this particular quasi-sport, and I applaud the Chair for raising these issues. I support this administration bill, and I urge all my colleagues to do so as well.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 768, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONTESTS INVOLVING NO RULES COMBAT, EXTREME OR ULTIMATE FIGHTING, AND OTHER SIMILAR COMPETITIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 2 (Slom, Trimble). Excused, 4 (Bunda, Hee, Ihara, Sakamoto).

Stand. Com. Rep. No. 659 (S.B. No. 1285, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 659 be adopted and S.B. No. 1285, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble rose to speak on the measure with reservations and said:

“Madam Vice President, I rise with reservations.

“I’m concerned and curious about the portion or section that would say that the people on the commission cannot be sued in relation to their selection, convening, or certification. I’m uncertain as to why that language is appropriate.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 659 was adopted and S.B. No. 1285, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRADITIONAL HAWAIIAN HEALING PRACTICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Bunda, Hee, Ihara).

S.B. No. 842, S.D. 1:

Senator Taniguchi moved that S.B. No. 842, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak on the bill with reservations and stated:

“Madam Vice President, I rise with reservations on this issue.

“During the testimony at Ways and Means, there was not one case that was evidenced by the Department of Taxation to show

that, indeed, this loophole was being utilized. So I question the need.

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, S.B. No. 842, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO WITHHOLDING OF TAX ON THE DISPOSITION OF REAL PROPERTY BY NONRESIDENT PERSONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Hee, Ihara).

S.B. No. 736, S.D. 1:

Senator Taniguchi moved that S.B. No. 736, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

“Madam Vice President, I rise in opposition to the bill.

“During the testimony on the bill, the Budget and Finance Department was asked what the costs are of actually issuing these special purpose revenue bonds. And as we know, this is a bill that we passed several of the SPRBs over the years. They are for basically nonprofit, educational, health, and other interested projects, and the State has no liability. What the State does is help in issuing the bonds, and the organization that issues actually prepares and issues the bonds. They’re the ones that get the lower rates in terms of interest.

“So Budget and Finance is assessing a fee, but upon questioning, they didn’t know what the actual costs were. At the present time, they are allowed to recover the cost of actually issuing the bonds. And I think before we add additional fees, particularly fixed fees, we should know exactly what the costs are, whether they are low, whether they are high, and they should reflect what the cost is of actually issuing the instrument.

“So I’ll be voting ‘no.’ Thank you.”

Senator Espero requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 736, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Hee, Ihara).

S.B. No. 1140, S.D. 1:

Senator Menor moved that S.B. No. 1140, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose in opposition to the measure and stated:

“Madam Vice President, again, I’ll be voting ‘no’ on this bill because it establishes new fees, an administrative fee in this case of \$75. I don’t think it’s been justified.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 1140, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL SERVICE LOAN COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Hee, Ihara).

Stand. Com. Rep. No. 674 (S.B. No. 761, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 674 be adopted and S.B. No. 761, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble rose to speak in opposition to the bill as follows:

"Madam Vice President, I rise in opposition to this measure.

"I couldn't find any reference to what this will do to healthcare costs, and until we have those numbers, I think it is inappropriate for our process of expanding every year without consideration of the cost of healthcare benefits, and then every year we see that Kaiser and HMSA raise their rates, but we don't know why.

"Anyway, I think we should have closure on this discussion. Thank you."

Senator Baker rose to speak in support of the bill and said:

"Madam President, I rise in support of this administration bill.

"Madam President, in 2003 we began the journey toward establishing mental health parity in our state. During that debate, we left out some of the mental illnesses to be included for reimbursement because there was concern about the cost. One of those was major depression. Following the 2003 Session, after the bill became law, HMSA's most popular plan provided, basically, full mental health parity, and that plan is the floor under our prepaid health act.

"So, the effect is that we have mental health parity, but on the chance that the plan should change, it's important for us to enact this legislation to ensure that all of our citizens who may have mental illness are treated equally.

"I would note that national trends in mental health care are toward expansion of mandated mental health treatment benefits through parity with other physical benefits. This trend is based on the assumption that it is discriminatory to restrict or offer less access to healthcare in the area of mental health relative to other areas of healthcare. Only a small percentage of the population use mental health treatment services in contrast to physical healthcare services, where 65 percent of the population will use the service in a given year. Only 4 percent of the population will ever use mental health service.

"Having a generous benefit design in a health plan does not imply high levels of use or costs for mental health treatment services. This has been demonstrated over and over again in the prior legislatively mandated studies we've done here in Hawaii.

"In addition, persons with a serious mental illness often do not have commercial insurance, and if qualified, may not have followed through to obtain a Medicaid plan. With our current definition in statute, many patients with debilitating depression, obsessive compulsive disorders, dissociative disorders, and delusional disorders simply don't qualify for these services that would be delivered at community mental health centers.

Without ready access to outpatient services, their disease progresses until inpatient care is necessary.

"This expensive level of care could be avoided in many cases with early intervention, and this is exactly what this bill is designed to do. It codifies current practice. It's good public policy. It's good healthcare policy, and I urge all my colleagues to join me in voting 'yes' on this measure."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 674 was adopted and S.B. No. 761, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

S.B. No. 1870, S.D. 1:

Senator Taniguchi moved that S.B. No. 1870, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition and said:

"Madam Chair, I rise in opposition to this bill.

"As the testimony indicated, this is not the proper way to enforce a problem, if indeed a problem exists. We heard testimony from people, in particular, contractors, that they're upset because the numbers of owner-builders have been increasing. Well, per se, that doesn't show us anything that's illegal or immoral, or anything else. What it shows is that the high cost of housing is driving people to try to do things on their own. They still pay taxes – they pay all of the taxes in terms of materials that they buy, labor that they have to subcontract.

"What this bill seeks to do is to discourage the practice of owner-builders taking care of their own properties, which has been exempt from taxation on their own laborers for many years. It is a bill that will not address the alleged problems that were brought up in testimony. That would be the current enforcement of existing laws, not to further tax.

"Anytime we have a problem in Hawaii, we don't look at the laws that we have, we don't at the problem, we look at the symptoms. And so this is a bill that will add tax and not solve problems.

"Thank you."

Senator Sakamoto rose to speak in support of the bill and stated:

"Madam Vice President, I rise in support of the measure.

"I believe the Senator from Hawaii Kai is making certain assumptions as to the merits of the bill or as to who pays taxes and who doesn't. When the Tax Director observed the measure he made a comment that they wanted to provide a forum to determine that indeed the taxes have been paid. One reason for this measure is because I believe, and I think most of you would also believe, that there is some leakage in terms of the taxes that are supposed to be paid via work being done, not by the owner or his brother or his son or his mother or his grandmother, but by people who are being paid cash, not getting worker's comp insurance, not getting liability insurance, etc. I think this is a measure about doing things correctly.

"Our Tax Director was concerned about whether we are going to have people pay more than once for certain bona fide subcontractors or materials. The Tax Director was concerned about materials that are supposed to be taxed from the mainland that are drop-shipped.

"I think there are measures to capture tax leakage. I don't believe this is a measure to punish anybody as someone may have assumed. I think this is a measure to do what is right and fair, so I ask my colleagues to support the measure."

Senator Trimble rose to speak in opposition to the measure as follows:

"Madam Vice President, I rise in opposition to this measure.

"Two issues: one is that I don't feel that it is appropriate for the counties, the building department, to collect the GE tax for the State; number two, if they are placed in that position, going forward we will notice that there is less accuracy and fewer applications for building permits than would exist if they weren't the tax collecting authority.

"Thank you."

Senators Chun Oakland, Fukunaga, English and Hooser requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 1870, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 6 (Hemmings, Hogue, Ige, Slom, Trimble, Whalen). Excused, 1 (Ihara).

S.B. No. 1745, S.D. 1:

Senator Taniguchi moved that S.B. No. 1745, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the bill and stated:

"Madam Vice President, I rise in opposition to the measure.

"I think it is bad public policy. Well actually, it is bad public policy, and it rains in more places than just Manoa, but we single out Manoa for issuing a tax credit. I speak also against the measure because it is a tax credit and not a low interest loan.

"Colleagues, I don't think that we should be encouraging homeowners to not have homeowner insurance. That's the reason for having homeowner insurance. And in other cases, we have not been the home insurer of last resort. I don't think we should begin by selecting Manoa.

"I urge you to vote 'no' on this measure. Thank you."

Senator Taniguchi rose in support of the bill and said:

"Madam Vice President, I have remarks in support of S.B. No. 1745, S.D. 1, that I'd like to have inserted into the Journal."

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

"Mr. President, I rise to speak in favor of S.B. No. 1745, S.D. 1.

"The purpose of this measure is to provide a one-time non-refundable income tax credit to the victims of the Manoa flood of October, 2004.

"As we all know Mr. President, the heavy rain and flood of October 2004 had devastating consequences for the residents of Manoa Valley. Approximately 140 homes and several automobiles sustained damage caused by the torrential downpour that overflowed the banks of Manoa Stream. Fortunately, the flooding did not cause any serious injuries or deaths, but the property damage it left in its wake is still being felt by many Manoa families.

"This bill provides relief to the victims of the Manoa flood in the form of a one-time non-refundable income tax credit (not to exceed \$2,000 per taxpayer) and applies to non-reimbursable expenses incurred by the flood victims for repairs, insurance, rental and other costs related to the flood damage.

"I urge all my colleagues to support this measure.

"Thank you, Mr. President."

The motion was put by the Chair and carried, S.B. No. 1745, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RELIEF FOR MANOA FLOOD VICTIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

S.B. No. 978:

On motion by Senator Fukunaga, seconded by Senator Menor and carried, S.B. No. 978, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE BROADCAST PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

S.B. No. 1348, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 1348, 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 (Ihara).

Stand. Com. Rep. No. 691 (S.B. No. 80):

Senator Menor moved that Stand. Com. Rep. No. 691 be adopted and S.B. No. 80, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble rose to speak on the measure with reservations and said:

"Madam Vice President, I rise with reservations.

"I note that this bill changes the definition from two inches or some size to something that is visible from 50 feet. And if you could only see through my eyes, you would find that change rather curious. I can measure the size of a letter, but for me to see something at 50 feet, the letters would have to be fairly large.

"Thank you, Madam Vice President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 691 was adopted and S.B. No. 80, 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 (Ihara).

Stand. Com. Rep. No. 692 (S.B. No. 668, S.D. 1):

Senator Inouye moved that Stand. Com. Rep. No. 692 be adopted and S.B. No. 668, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senator Trimble rose to speak with reservations as follows:

"Madam Vice President, I also rise with reservations.

"Intellectually, the function of this bill is to encourage competition in the marketplace by having a set-aside for small businesses. It is the desire to increase competition, and hopefully over time, with this increased competition, we will be able to have lower costs.

"I think it is appropriate in this bill that we, after so many years, mandate that a study be conducted to determine its results.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 692 was adopted and S.B. No. 668, S.D. 1, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 696 (S.B. No. 1256):

Senator Hanabusa moved that Stand. Com. Rep. No. 696 be adopted and S.B. No. 1256, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Hogue rose to speak in opposition to the bill and stated:

"Madam Vice President, I rise to speak in opposition.

"I know we had a long discussion about this particular measure last year, and I believe the reason for the constitutional amendment is that last year's measure did not pass constitutional muster and so there is an effort to put it forward again.

"I stress, colleagues, I feel this is politically motivated. There is no way to stop politics in the Board of Regents process. I don't care if you take power away from the Governor and put it in the hands of a selected list, or whatever you call it, you're still going to have political pressure. And as was brought up before when there was this talk about a take away from the Governor, what you end up having is special interest putting forward just their special interest candidates.

"I am aware that there is a movement nationally to follow this particular lead, but in at least one of the states that has put forward this particular idea, they have the list but they do not require the Governor to pick from that list. So ultimately, the responsibility lies with the executive branch.

"I think we all saw this past year how difficult of a job the Board of Regents has. And we saw ultimately, the firing of our University President. It was not a pretty picture. We did not like how some of the efforts came forward, but ultimately, as was noted, I believe even by Madam President and also by the House Higher Education Chair; ultimately, the right decision was made.

"So I don't know whether or not this proposal would change that. I think it's just a take away from the Governor. I think we should stop and think about all of these powers that we are taking away from the Governor and look back at an accountability situation where the Governor is accountable for his or her appointees, and then we do our process as far as advise and consent.

"So, I urge all of my colleagues to vote 'no.' Thank you."

Senator Hee rose in support of the measure and said:

"Madam Vice President, I rise to speak in favor of the matter before us.

"This isn't a politically motivated bill as far as I'm concerned. It may be to others, but not to me. Let me read a list of names: David P. Carey, Steve Case, Mary Cooke, Wendy Crabbe, Judith Sheehan-Dawson, David Fairbanks, Mark Fukunaga, Warren Luke, Duncan MacNaughton, Randy Moore, Michael Pietch, James Scott, Duane Steele, Jeffrey Watanabe, Kathleen Sullivan-Wo. This isn't the University of Hawaii Board of Regents, Madam Vice President.

"Patricia Lee, John Kai, Trent Kakuda, Kitty Lagareta, Ramon de la Peña, Byron Bender, Andres Albano, Alvin Tanaka, James Haynes, Jane Tatibouet, Myron Yamasato – these are the University of Hawaii Board of Regents.

"Part of being a regent is being able to network far beyond the shores of these islands. We will, this Session, engage in the confirmation of two people, both interim trustees – John Kai, who lacks a college degree, and Ramon de la Peña, who is a retired taro farmer from Kauai. If anything needs to be done at the University of Hawaii besides raising tuition, it is ratcheting up the quality of regents. In fact, were it up to me, it would be expanding the regents, creating a board of advisors as well as a board of trustees. This University needs to get out of the old system and get on with the new, and get moving forward to move the University where it says it wants to go.

"Colleagues, this is the first step in the process of selecting the Board of Regents. More importantly, the question before us is to ask the people if they agree that the selection of the regents could be done in a better way by amending the Constitution.

"Thank you."

Senator Trimble rose in opposition to the bill and said:

"Madam Vice President, I rise in opposition to this measure.

"I think the issue here is accountability, and not only for the Board of Regents, but also for the University of Hawaii itself. I see no need to change the current system even though we went through a college president last year. I think our existing system serves our people well.

"Thank you, Madam President."

Senator Hooser rose to speak in support of the measure and stated:

"Madam Vice President, I rise in support of this measure.

"This is a good bill. This is good for the University. I think we should all just take a moment and try to focus on what is the best thing for the University and not what's the best thing for Republicans or the best thing for Democrats, but the best thing for the University.

"This State made a decision sometime back that autonomy was the best direction for the University of Hawaii to go. This is a step in that direction, a very strong step. This is good public policy. People may perceive it in different ways, but the bottom line is that this is good public policy.

"The Association of Governing Boards of Universities and Colleges – this is the organization that just about every university and college in the nation belongs to – they make it their task, their job, to advise university regents on policies and best practices. And I'll just read for a second, a quote from a letter that came from last year but it's on the same principle: 'As the national group for boards, trustees, and regents, the Association of Governing Boards of Universities and Colleges has advocated for this approach for nearly two decades and have worked successfully with states to see such committees enacted. We believe very strongly that Governors should have the authority and privilege of appointing public university trustees and regents, but we also believe that independent screening bodies to assist with this process to identify outstanding citizens is very important. Finally, we believe that such independent screening committees operate best when enacted and sustained with bipartisan support. Nonpartisan advisory or nominating committees who recruit, screen, and recommend board candidates is an important tool to ensure that the best candidates are considered for these important positions.'

"I'd like to add that there was testimony, powerful, compelling testimony, from a Mr. Boas, who's a member of the University Foundation, but speaking on his own behalf. Mr. Boas states, 'I believe that this proposed legislation reflects the autonomy of the University which was provided for in a previous constitutional amendment. Now that the University is independent from the State and has its own legal personnel, it is appropriate that governance of the University represent the various constituencies which have a direct interest and stake in the University. In my opinion, the candidate advisory council clearly represents the University stakeholders and interested parties.'

"This is a good bill. It's good for the University. It was also supported in principle – the concepts – by the various accrediting agencies, WASC and ACCJC. This de-politicizes the regents' selection and supports autonomy. I encourage my colleagues to give the power of the regent selection to the University community itself, and vote in support of this measure.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 696 was adopted and S.B. No. 1256, entitled: "A BILL FOR AN ACT PROPOSING A CONSTITUTIONAL AMENDMENT TO ARTICLE X, SECTION 6, OF THE HAWAII CONSTITUTION TO MODIFY THE APPOINTMENT PROCESS FOR THE BOARD OF REGENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Ihara, Taniguchi).

Stand. Com. Rep. No. 697 (S.B. No. 1257, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 697 was adopted and S.B. No. 1257, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Ihara, Taniguchi).

Stand. Com. Rep. No. 699 (S.B. No. 45, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 699 be adopted and S.B. No. 45, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Trimble rose to speak in opposition to the bill as follows:

"Madam Vice President, I rise in opposition to this bill.

"As a practical matter, budgets are prepared one year, up to two years before the money is actually spent. It is not necessarily known in advance if there is a need to perhaps send someone to the mainland. I think that it would be irresponsible by this Body to say that no transfers could be made regardless of the circumstance without legislative approval through the budgetary process.

"Thank you, Madam Chair."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 699 was adopted and S.B. No. 45, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO YOUTH CORRECTIONAL FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 703 (S.B. No. 1298):

Senator Hanabusa moved that Stand. Com. Rep. No. 703 be adopted and S.B. No. 1298, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Slom rose in opposition to the bill and stated:

"Madam Vice President, I rise in opposition to this bill.

"We already, of course, have requirements for environmental impact statements. They work quite well. What this bill does, however, is to try to further expand the EIS, and it says that we have to provide information for any group that would be affected. And then the part that I find particularly troubling is it specifically cites racial issues. I think we've found, particularly with the University of Hawaii a couple of weeks ago where we brought in a racist and paid him with tax money, that we're going in the opposite direction. Instead of having racial harmony, we're now trying to find ways to point out racial disunity.

"So I think does a disservice and I'll vote 'no.' Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 703 was adopted and S.B. No. 1298, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," having been read throughout,

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

Ayes, 19. Noes, 4 (Hogue, Slom, Trimble, Whalen). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 706 (S.B. No. 427, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 706 be adopted and S.B. No. 427, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

At 11:57 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:00 o'clock noon.

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

"Madam Vice President, I rise in opposition.

"This is the much debated child passenger safety seat issue. I think that we can all agree that we want to have our children be safe, but this is going to put an undue burden on our already struggling families, and not to mention just how difficult it is from time to time for a single mom running around her kids to now all of a sudden have to worry about one of these big old safety seats.

"This is a measure, as it moves forward, we continually hear from people in our districts who will be placed in a very difficult situation. I think this is well intended, but it is up to us as parents to make our children safe and not have the State mandate a big piece of equipment that we're going to have to put in the car, and in some cases, when we have several children – I have four as a matter of fact; they're all grown now, but I can't imagine how difficult this would have been on me and my family back in the day.

"So I urge all my colleagues to vote 'no.' Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 706 was adopted and S.B. No. 427, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 6 (Hemmings, Hogue, Kim, Slom, Trimble, Whalen). Excused, 4 (Bunda, English, Ihara, Taniguchi).

At 12:02 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:59 o'clock p.m.

Stand. Com. Rep. No. 707 (S.B. No. 428, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 707 be adopted and S.B. No. 428, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

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

Senator Slom rose to speak in opposition to the measure as follows:

"Madam Vice President, I will be voting in opposition to this bill.

"We've, of course, had this bill before. We have problems with teenage drivers. We have problems with senior citizen drivers. We have problems with drivers. But to categorize all teenagers and to punish them is not fair and it is not right. We don't have evidence that the vast majority of teenagers abuse the privilege – and that's what it is, the privilege of getting a license.

"So, for those young people out there that do the right thing and listen to their parents and drive responsibly, I'll be voting 'no.' Thank you."

Senator Inouye rose to speak in support of the bill and said:

"Madam Vice President, I speak in support of S.B. No. 428, S.D. 2.

"This is an administration bill and this relates to driver licensing. It establishes a three-stage graduated driver licensing program for persons under the age of 18 and requires young drivers to be accompanied by a licensed parent or guardian when driving between 11:00 p.m. and 5:00 a.m. with limited exceptions.

"I believe this bill will help reduce fatal crashes and injuries. Young drivers are at much higher risk of crashing, mainly because they lack the driving skills that come with experience on the road. Driving at late night hours only increases this risk. Statistics clearly show that teenage drivers are disproportionately involved in crashes. In 2003, a USA Today study found that 3,500 teens died in teen-driven vehicles in the USA that year, a death toll that tops any disease or injury for teens. Sixteen-year-olds have ten times the crash risk as drivers ages 30 to 59, and three times the risk of older teens. Sixteen-year-olds also die at night at twice the rate as in the daytime.

"States with some form of graduated driver's licensing system have reported a significant reduction in fatalities. As an example, Wisconsin, which places restrictions on nighttime teen driving, has seen a 53 percent drop in crashes involving teen drivers, and North Carolina, which also has restrictions, has seen a 25 percent drop. New Jersey, which has long barred sixteen-year-olds from having unrestricted licenses, has had one of the lowest teen fatality rates in the USA. Here in Hawaii, we hear too often of crashes involving teenage drivers, especially at night. Forty states and the District of Columbia have three stages before gaining full licensure.

"Hawaii needs to adopt this measure to improve the safety of our roads and of our youth who use them. As Legislators, we owe it to the public to do our part. I urge my colleagues to vote in support of S.B. No. 428.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 707 was adopted and S.B. No. 428, S.D. 2, 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, 19. Noes, 2 (Slom, Whalen). Excused, 4 (Bunda, Ihara, Menor, Taniguchi).

Stand. Com. Rep. No. 708 (S.B. No. 706, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 708 be adopted and S.B. No. 706, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Whalen rose in opposition to the measure and said:

“Madam Vice President, I’ll try to summarize. I think I’ve made my concerns known to the Chairman of Judiciary, but for those of you who aren’t sure exactly what they are – and before anyone hops up and says ‘this is an administration bill,’ I realize it is but as you know, our party tends to do its own thing, its members, so you don’t need to keep using that as an argument.

“These penalties are too skewed, too draconian. What we’re going to do is create a class of uninsurable, unlicensed drivers. Because when you get your license revoked, you have to post what is called an SR-22, which is an extra personal liability policy, and the State by law cannot issue a license to someone once their license is revoked until they have that. And it doesn’t matter, it goes on indefinitely.

“You were talking about young people who do not have the \$3,000 to \$6,000 to pay for an insurance policy, so once their license is revoked, it will remain revoked until they actually post that insurance. Hopefully, we’ll be able to address this, but as it stands now, I think we’d be causing the opposite effect; instead of stopping the drinking, what we do is create a greater problem by setting loose a class of people who are a menace to us, because if something does go wrong, someone else is going to have to pay. It’s not going to be them, it’s not going to be the insurance company.”

Senator Hogue rose to speak on the bill with reservations and stated:

“Madam Vice President, I also will be voting with reservations.

“I think the penalties are too severe and too long lasting. Hopefully, the intent of this bill can go forward and make the penalties fit the crime and not stay with these young people who have obviously made bad decisions early in life, and make it stay with them forever.

“So, hopefully this bill can be amended as it goes along through the process. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 708 was adopted and S.B. No. 706, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR VIOLATIONS INVOLVING MINORS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Sлом, Whalen). Excused, 3 (Bunda, Ihara, Menor).

Stand. Com. Rep. No. 709 (S.B. No. 1588, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 709 be adopted and S.B. No. 1588, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Sлом rose to speak in support of the measure as follows:

“Madam Vice President, I speak in strong support of this measure.

“The measure is a good measure. We’ve had an increasingly serious problem with agricultural theft on all islands over the last couple of years, and I hope that this bill will help solve that problem. However, let me note that agricultural theft on the island of Oahu has gone down considerably in the last several months in direct relationship to the farmer that was able to

protect his own land using firearms for a trespasser. And I think that has had much more of an impact.

“So, if we would have only heard the concealed carry bill, and we only exercise our Second Amendment rights, that will do much more to deter not only agricultural theft, but also all of the break-ins and personal harm that is being done by those that don’t read all of our laws and don’t obey them.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 709 was adopted and S.B. No. 1588, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO AGRICULTURAL THEFT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Bunda, Ihara, Menor).

S.B. No. 1410, S.D. 1:

Senator Taniguchi moved that S.B. No. 1410, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure and stated:

“Madam Vice President, I rise in opposition to this measure.

“Colleagues, good tax policy involves simplifying the tax code, simplifying and eliminating from those that are required to file – members of the working class. I speak in opposition to this and other tax credits because if we can eliminate our practice or our propensity to have tax credits, we really can raise the standard deduction and personal exemptions to the same level as applied on federal income taxes.

“Thank you, Madam Vice President.”

Senator Hooser rose in support of the bill and said:

“Madam Vice President, I rise in support.

“S.B. No. 1410 provides a refundable state earned income tax credit. The purpose is to reward working families and give additional income to those who need it. I think the key phrase is that this is a targeted income tax credit. It rewards people who work. People who do not work receive no credit. This reward works. It’s a work incentive. For families entering the workforce, a State EITC acts as a wage supplement.

“Nationally, EITC’s are generally considered bipartisan-supported programs. The money goes directly to the working individual without creating a large bureaucracy. According to the Center for Budget and Policy Priorities, 17 different states led by Republicans, Democrats, and bipartisan leadership, have enacted state EITC laws. EITC laws increase workforce participation. Again, according to the Center on Budget and Policy Priorities, a number of researchers have found that the large expansions of the EITC since the mid 80’s have been a major factor behind the trend toward greater workforce participation. The bottom line is that states with EITC’s have an increase in employment, an increase in people working.

“For those reasons and others, I encourage the members to support this bill.”

The motion was put by the Chair and carried, S.B. No. 1410, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO

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

Ayes, 21. Noes, 1 (Trimble). Excused, 3 (Bunda, Ihara, Menor).

Stand. Com. Rep. No. 715 (S.B. No. 1473, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 715 be adopted and S.B. No. 1473, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hooser.

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

“Madam Vice President, I rise in opposition to this bill.

“Good public policy should be applied equally throughout our State. And I would like to note that some of the same concerns that relate to Waimano Ridge also relate to other areas in our State. I would like to note for the record that when the University of Hawaii did its environmental impact statement for the Kakaako campus, the study was entitled, ‘Health and Wellness Center.’ It did not disclose in the environmental impact statement their intention to build class III wet laboratory space.

“So the reason why I’m voting ‘no’ on this bill is that when we come up with public policy and law, we should apply it equally over the entire State. Thank you, Madam Vice President.”

Senator Kokubun rose to speak in support of the measure and stated:

“Madam Vice President, I stand in support of this measure.

“I just want to point out that the reason this particular area is singled out in this measure is that there was a master plan that was developed with the community in the early 1990’s, and the fact is that government has not complied with that master plan. Changes have been made, and the community has not been informed. And therefore, I think that’s the reason for submitting and supporting this legislation.

“I urge my colleagues to support it. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 715 was adopted and S.B. No. 1473, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO WAIMANO RIDGE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Ihara).

S.B. No. 693, S.D. 1:

Senator Menor moved that S.B. No. 693, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble rose in opposition to the bill and said:

“Madam Vice President, I rise in opposition to this measure.

“Colleagues, you’ll remember that I voted ‘no’ last year on a similar measure, which we are seeking to amend today. My concern is that charitable gift annuities is a rather dangerous tool in the wrong hands, and it is a vehicle that we should be very careful with when we are expanding the ability of people

to offer it and get our oldest residents to buy into, quote, ‘the benefits of the program.’

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, S.B. No. 693, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHARITABLE GIFT ANNUITIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Ihara).

Stand. Com. Rep. No. 718 (S.B. No. 74, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 718 be adopted and S.B. No. 74, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose to speak in support of the measure with reservations as follows:

“Madam Vice President, I rise with reservations on this bill.

“I’m going to tell you, I’m confused. One moment we’re saying that we can’t trust young drivers and we have to put penalties on them, the next moment we’re lowering the driving age for commercial vehicle drivers because the commercial industry can’t find enough drivers at 21. They need them at 18.

“So, I think we need to send the same message to everyone in our State, particularly those of younger age. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 718 was adopted and S.B. No. 74, 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, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Ihara).

Stand. Com. Rep. No. 720 (S.B. No. 1624, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 720 be adopted and S.B. No. 1624, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose in opposition to the measure and said:

“Madam Vice President, I’m voting ‘no’ on this bill.

“I’m voting ‘no’ because the bill would raise the cost to the State and also, again, we’re sending mixed signals. We’re usually telling people to look for generic drugs, but the thrust of this bill is to make sure that we do not use generic drugs, or at least the Department of Human Services. So it is going to be a costly measure.

“Thank you.”

Senator Baker rose to speak in support of the bill as follows:

“Madam President, I rise in support of this measure.

“Although the Department of Human Services testified in opposition, they finally had to admit on the last page of their testimony that none of the classes of drugs specifically mentioned in this bill are included in the department’s newly implemented Medicaid-preferred drug list program. It’s bogus to say that this bill will raise the cost to the Medicaid program.

It means that our Medicaid PDL doesn't impact any of the drugs mentioned in this bill.

"So, the boogie man that DHS tried to raise in their testimony doesn't exist. And quite frankly, for persons with HIV/AIDS and with Hep C, there's only a few small number of drugs that can be used. They're not generic. They are expensive, but these people who have these particular diseases can function very well with the drugs if they're made available to them in a timely fashion. That's the purpose of this bill, to make sure that DHS does not put them on a pre-authorization category, does not tinker with the life-saving formulas that these individuals need.

"I have some additional remarks I'd like to include in the Journal. Thank you."

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

"It is important that physicians be exempted from having to obtain pre-authorization prior to dispensing medications to HIV/AIDS and hepatitis C patients on Medicaid. It is estimated 1.8 percent of Americans are actively infected with the hepatitis C virus and 4.9 percent have hepatitis B. For the 1,250,000 residents in Hawai'i this translates into 22,500 people with hepatitis C and 61,250 who have hepatitis B. Requiring pre-authorization of Medicaid recipients before dispensing medications for the treatment of HIV/AIDS, hepatitis C and the immunosuppressives needed for transplant patients is unduly arduous, difficult, and too time-consuming for practitioners with large numbers of these patients. Such patients require immediate treatment to avoid permanent injury or other undesirable consequence. There are many people who may eventually die from these diseases unless they are properly treated in a prompt and timely manner.

"Your committee heard testimony from individuals who with prescribed treatment are in complete remission and living productive lives once again. The National Association of Hepatitis Task Forces testified that this measure is necessary for the reform of healthcare for these chronic diseases. Other states across our nation have taken similar action and experienced success. Many years ago there was little hope for living with these illnesses, but now there are treatments and procedures available to allow persons who become infected to lead normal and productive lives. It is imperative that these medications be delivered and administered in a timely manner to prevent further medical costs.

"For these reasons I urge passage of S.B. No. 1624, S.D. 1. Mahalo."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 720 was adopted and S.B. No. 1624, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 723 (S.B. No. 602, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 723 be adopted and S.B. No. 602, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose to speak on the bill with reservations and said:

"Madam Vice President, I'm voting with reservations on this bill.

"While the thrust of the bill is that there are a lot of illegal activities that go on at some pawnbrokers, what this does is force all pawnbrokers to adopt generally uniform software and computer procedures, most of which, particularly for the older mom and pop-type pawnbrokers, would be an added expense, and since they have not been involved in any illegal activities, it's again putting requirements and costs on everyone rather than enforcing the law against a few.

"Thank you."

Senator Baker rose to speak on the bill with reservations and said:

"Madam President, I rise with reservations on this measure.

"My concern is that although it's laudable that we would want to get stolen property back to the lawful owners, this bill seems to sweep in secondhand stores, thrift shops, swap meets, and others. It also was noted by the people that testified before your CPH Committee that many of the pawnbrokers are elderly.

"So, I just have concerns about the implementation and hope that as this measure moves forward, some of these matters will be taken into consideration.

"Thank you."

Senators Inouye, Trimble, English, Hooser and Tsutsui 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. 723 was adopted and S.B. No. 602, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS AND SECONDHAND DEALERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 725 (S.B. No. 962, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 725 was adopted and S.B. No. 962, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PREVAILING WAGES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 726 (S.B. No. 535, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 726 be adopted and S.B. No. 535, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

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

"Madam Vice President, I rise in opposition to this bill.

"This bill basically interferes with an employer's right to determine sick leave policies and also mixes sick leave with other employment practices. Sick leave is not a mandated benefit in the private sector, and so again, it is involved in

contractual arrangements. In terms of collective bargaining, it's not an issue.

"Thank you."

Senator Trimble rose to speak in opposition to the measure as follows:

"Madam Vice President, I rise in opposition to this measure.

"I believe that if we pass this measure, the long term impact will be a reduced number of sick days that private employers offer to their employees, and I think that is an undesirable consequence for the vast majority of the workers in Hawaii.

"Thank you, Madam Vice President."

Senator Espero 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. 726 was adopted and S.B. No. 535, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 9 (Chun Oakland, Hemmings, Hogue, Ige, Inouye, Sakamoto, Slom, Trimble, Whalen). Excused, 2 (Ihara, Nishihara).

S.B. No. 1018, S.D. 1:

Senator Chun Oakland moved that S.B. No. 1018, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Sakamoto.

Senator Trimble rose to speak on the bill with reservations and said:

"Madam Vice President, I rise with reservations.

"Colleagues, I think that the process of accreditation and the process that Human Services goes through in reviewing day care centers is a different process. The second thing I'd like to note is that not all private schools are accredited or wish to be accredited by the one or two firms that do these accreditations in Hawaii. So, I don't think the best interests of all private schools in Hawaii will be advanced by passing out this measure.

"Thank you, Madam Vice President."

The motion was put by the Chair and carried, S.B. No. 1018, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ihara, Nishihara).

S.B. No. 1415, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 1415, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EARNED INCOME TAX CREDITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ihara, Nishihara).

S.B. No. 1740, S.D. 1:

Senator Taniguchi moved that S.B. No. 1740, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill and stated:

"Madam Vice President, I rise in opposition to this measure.

"As noted earlier, I think appropriate tax policy should begin with getting as many of the working folks at the lower end of the spectrum off our tax rolls. While other measures may be appropriate, I think we should first start with raising the standard deduction and personal exemptions to the same levels used by the IRS.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 1740, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADJUSTING THE INCOME TAX BRACKETS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Ihara, Nishihara).

S.B. No. 60, S.D. 1:

Senator Menor moved that S.B. No. 60, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Hogue rose to speak in opposition to the bill and said:

"Madam Vice President, I rise in opposition to this measure.

"Colleagues, when this bill was first introduced, we just had a roomful of people at the CPH hearings, all from this particular industry, all talking about what this bill would do to their industry, and their feeling is that it would be catastrophic. So I'm urging you to vote 'no,' to think about these small businesses that have been run this way and do a great service to all of us in times of need.

"The discussion has to do with pre-need funeral sales, and under the current law which was enacted back in 1967, purchasers are able to pay for their preplanned funeral services in small payments over a period of years, and I think we can all agree that this does us a great service. The first 30 percent of these payments collected by the funeral authority is retained to cover their expenses. The balance of the payments is placed into trust and the funeral authority is permitted to remove the entrusted payments at the time they service the purchaser or other person designated by the purchaser.

"So, I think what has happened here is that there has been a problem in a couple of instances, and so this bill has been introduced and essentially is an overkill. So, I certainly hope that we would respect those that are in the industry who do a lot of great work for us in our time of need and respect the way they've gone about doing their business, and would vote down this bill as it is currently written.

"Thank you."

Senators Chun Oakland, Espero, Fukunaga, Hooser, Ige, Sakamoto, Taniguchi and Trimble requested their votes be cast "aye, with reservations," and the Chair so ordered.

Senator Hogue rose and said:

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

The motion was put by the Chair and carried, S.B. No. 60, 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, 18. Noes, 5 (English, Hogue, Inouye, Slom, Whalen). Excused, 2 (Ihara, Nishihara).

S.B. No. 120, S.D. 1:

Senator Menor moved that S.B. No. 120, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble rose to speak in opposition to the measure and stated:

“Madam Vice President, I rise in opposition to the measure, and to keep it short, note that the Legislative Auditor was also in opposition to this measure.

“Thank you.”

Senator Sakamoto requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 120, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Ihara, Nishihara).

S.B. No. 779, S.D. 1:

Senator Hanabusa moved that S.B. No. 779, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senators Hooser, Kanno, English and Taniguchi requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 779, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ihara, Nishihara).

Stand. Com. Rep. No. 742 (S.B. No. 255, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 742 be adopted and S.B. No. 255, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taniguchi.

Senators Taniguchi, Hooser, Chun Oakland, Ige and Baker 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. 742 was adopted and S.B. No. 255, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ATTORNEY

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

Ayes, 21. Noes, 2 (Espero, Trimble). Excused, 2 (Ihara, Nishihara).

Stand. Com. Rep. No. 749 (S.B. No. 904, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 749 was adopted and S.B. No. 904, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE MANAGEMENT OF THE UNIVERSITY OF HAWAII,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Inouye, Kanno). Excused, 2 (Ihara, Nishihara).

Stand. Com. Rep. No. 751 (S.B. No. 1336, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 751 be adopted and S.B. No. 1336, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senators Fukunaga, Hogue and Ige 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. 751 was adopted and S.B. No. 1336, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONDOMINIUMS AND COOPERATIVE HOUSING CORPORATIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Senator Hogue rose to speak on a point of personal privilege and stated:

“Madam Vice President, just a point of personal privilege. I think we’re all kind of tired, so we’ve broken down our voting procedures and hands are just kind of raised willy-nilly. We don’t know if people are voting ‘with reservations’ or ‘no,’ so I’m just asking people to stand up if you have reservations and raise your hand if you have a ‘no’ vote so that we know exactly what’s going on. Is that okay?”

“Thank you.”

Stand. Com. Rep. No. 753 (S.B. No. 1409, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Stand. Com. Rep. No. 753 was adopted and S.B. No. 1409, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO KAHANA VALLEY STATE PARK,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 754 (S.B. No. 1468, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 754 be adopted and S.B. No. 1468, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Baker rose to speak in support of this measure and said:

“Madam President, I have remarks that I’d like inserted in the Journal in support of this measure.”

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

"Mr. President, I stand in support of S.B. No. 1468, S.D. 1.

"This very important measure will amend HRS §328K-2 to expand the prohibition of smoking already included in the statute to all areas in healthcare facilities and all areas 'from curb to cabin' at state airports. Some of my constituents, who as vendors deliver products regularly to Kahului airport, have complained about having to pass through clouds of cigarette smoke to conduct their business. Users of Honolulu Airport inter-island terminal, like me, who must go from Aloha's gates to the main part of the terminal, pass through clouds of smoke every time we depart from or arrive in Honolulu. Although many smokers try to be courteous when smoking around others, second-hand smoke is proven to have dangerous effects on nonsmokers' health, too. In fact, at your Health Committee's hearing for S.B. No. 1468, numerous testifiers presented evidence of the dangers of second-hand smoke, including the American Heart Association, the American Cancer Society, and a number of physicians and nurses. Inhaling second-hand smoke can be as injurious to one's health as smoking.

"As Legislators, promoting the health of our citizens is paramount, and that means helping to protect nonsmokers from the unwanted exposure and dangers of second-hand smoke. This bill is not intolerant of smokers. On the contrary, smokers may still enjoy the freedom of smoking in areas where less of the public will be negatively affected by second-hand smoke.

"Mr. President, your Committee believes that S.B. No. 1468 is good public policy, and I urge all my colleagues to support its adoption. Mahalo."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 754 was adopted and S.B. No. 1468, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SMOKING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 756 (S.B. No. 717, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 756 be adopted and S.B. No. 717, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill and said:

"Madam Vice President, I rise in opposition to the measure.

"I feel that it is inappropriate for this Body to confer civil service status on the members of the Business Action Center. Please note for the record that I think the Business Action Center does a great job, and that I'm supportive of the job, but I just don't feel it's appropriate in this instance or any other instance to convey civil service status by fiat.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 756 was adopted and S.B. No. 717, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUSINESS ACTION CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 758 (S.B. No. 1374, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 758 be adopted and S.B. No. 1374, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the bill as follows:

"Madam Vice President, I vote 'no' on this bill.

"The reason is that it requires the DBEDT Chair to form a China-Hawaii task force, and so forth. DBEDT is already doing that, and I always look askance at bills that require or mandate people to do things that are in their regular scope of business.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 758 was adopted and S.B. No. 1374, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 762 (S.B. No. 1734, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 762 be adopted and S.B. No. 1734, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

"Madam Vice President, please note my reservations on this particular measure.

"There are major concerns as this measure goes forward, and I think many of them have been written about in the newspaper. So, I think we really need to look at this and any of these major tax credit bills as they go forward.

"Thank you."

Senator Chun Oakland rose and said:

"Madam Vice President, I'd like permission to step off the Floor for a possible conflict."

The Chair noted:

"I don't think you need my permission."

Senators Slom, Ige and Hooser 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. 762 was adopted and S.B. No. 1734, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Chun Oakland, Ihara).

Stand. Com. Rep. No. 765 (S.B. No. 747, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 765 be adopted and S.B. No. 747, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill as follows:

“Madam Vice President, last year on the same bill – and I realize it’s an administration bill or at least it was last year – it was sold to us last year and again this year as a consumer protection bill when in fact, no consumers or people that send money back home to their relatives testified in favor of this measure saying they would need protection.

“I was in the Committee that heard the testimony last year. I feel it’s probably the same this year, and those that supported it, in some instances, were those who would benefit because they would get more business and they would be able to charge higher fees than the people who are transmitting money back home now currently pay.

“So, because it is an anti-consumer measure, I will be voting against it. Thank you, Madam Chair.”

Senator Slom rose in opposition to the bill and said:

“Madam Vice President, I’ll be voting against it because it establishes a \$100 registration fee plus a \$100 annual fee as well.

“Thank you.”

Senator Menor rose to speak in favor of the bill and said:

“Madam Vice President, I rise to briefly speak in favor of this measure.

“I just wanted to offer some clarifying remarks which emphasizes the fact that the strongest supporters of this measure were representatives of the law enforcement community, including the Attorney General’s Office – this is in fact their measure. The reason why they felt this measure was necessary is because they feel that substantial sums of drug monies are being laundered through money transmitting organizations or businesses. So, in order for law enforcement to be able to get a better handle on the extent of the problem, they feel that regulation would allow law enforcement to obtain the kind of information that’s needed to be able to crack down on money laundering by drug offenders in this State.

“So, there’s a law enforcement issue and justification for this bill, and accordingly, I ask my colleagues to move this bill forward. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 765 was adopted and S.B. No. 747, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Hee, Ihara).

At 1:36 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:39 o’clock p.m.

Stand. Com. Rep. No. 770 (S.B. No. 959, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 770 be adopted and S.B. No. 959, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Chun Oakland 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. 770 was adopted and S.B. No. 959, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CABLE TELEVISION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 6 (English, Hemmings, Hogue, Hooser, Slom, Trimble). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 771 (S.B. No. 982, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 771 be adopted and S.B. No. 982, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I’m opposed to this measure.

“I certainly support public shelters and the improvement and maintenance thereof, but not at the expense of a further raid on the Hurricane Relief Fund. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 771 was adopted and S.B. No. 982, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC SHELTERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 773 (S.B. No. 1129, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 773 be adopted and S.B. No. 1129, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the bill and said:

“Madam Vice President, another ‘no’ vote, another raid on the Hurricane Relief Fund. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 773 was adopted and S.B. No. 1129, 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, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 776 (S.B. No. 1453, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 776 be adopted and S.B. No. 1453, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I rise in opposition to this bill.

"This bill would add public service tax to private sewer companies. I'm only aware of one existing private sewer company on Oahu, that's the one in East Oahu in Hawaii Kai.

"Thank you."

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

"Madam Vice President, I also rise in opposition.

"I think it is the activity that we should look at that should be taxed, and not whether it's a private firm. If we wish to tax government enterprises that do a similar service, then, for the sake of consistency, I could vote for the measure. But since we are singling out only as it applies to the private sector, I'll be voting against it.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 776 was adopted and S.B. No. 1453, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SERVICE COMPANY TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 781 (S.B. No. 874):

Senator Taniguchi moved that Stand. Com. Rep. No. 781 be adopted and S.B. No. 874, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill and said:

"Madam Vice President, I'm rising in opposition to this measure.

"Last year, this Body took a monumental step forward when it talked about how funds are going to be allocated at the school level and letting the principal decide in conjunction with communication with the teachers and the parents. I don't find that this measure is doing that. I still find that we're back to our old habits of trying to tell the schools exactly what they should be doing. I think it's the wrong approach, and I'll be voting 'no' for that reason.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 781 was adopted and S.B. No. 874, 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, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 782 (S.B. No. 1221, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 782 was adopted and S.B. No. 1221, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STUDENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 785 (S.B. No. 1258, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 785 be adopted and S.B. No. 1258, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

"Madam Vice President, I rise in opposition to this bill.

"Originally, this bill was to provide for additional textbooks, but now the function is going to be to bolster civic responsibility. I don't know how the Legislature, let alone the DOE, is going to bolster civic responsibility, and not only do I not know, no one else does because it's not spelled out here.

"Thank you."

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

"Madam Vice President, I rise to speak against this legislation.

"The appropriation, once again this year, of several million dollars – in this case, \$2.5 million – to buy textbooks implies that there is not enough money to buy textbooks, and for the edification of this Body, I'd like to remind them that we spend over \$2 billion on our public education system directly through appropriating money to the DOE. That doesn't include the additional monies that are spent on other programs such as human services for eligible children. Certainly, out of the \$2 billion or \$10,000 per child on the average that we do spend, we should have adequate money to pay for schoolbooks out of existing resources.

"Therefore, I believe this is just another effort to throw more money at the public education system without accounting for the money they already should have been spending on having adequate books and resources in the classroom where the teachers and students are. So, I don't want to feed this hungry alligator, and I'll be voting 'no.'

"Thank you."

Senator Trimble rose to speak in opposition to the bill and said:

"Madam Vice President, I rise in opposition to this measure.

"Last year, we decided that schools needed science books. This year we decide that they need civics books. Again, the point is, the decision making about how to allocate the resources needs to be done at the individual school level. And for that reason, I'm voting against the measure.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 785 was adopted and S.B. No. 1258, 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, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 789 (S.B. No. 1533):

Senator Taniguchi moved that Stand. Com. Rep. No. 789 be adopted and S.B. No. 1533, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hogue rose to speak in opposition to the bill as follows:

“Madam Vice President, I rise to speak in opposition to this particular measure.

“This will make the Board of Education effectively into a mini-Legislature with the largest Board of Education that I could find in the entire United States. We went through and we reviewed many of the other states. Most boards of education are in the single digits as far members are concerned. There are some states – New Jersey has 13 board members, there are a few in Texas – that are up to 15, but we suddenly would put together a 17 person Board of Education. The only way to manage it would be to have all these committees and committee chairs, and I just can’t see it working.

“For that reason, I’m going to be voting ‘no’ and urge my colleagues to do so as well. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 789 was adopted and S.B. No. 1533, entitled: “A BILL FOR AN ACT PROPOSING A CONSTITUTIONAL AMENDMENT TO ARTICLE X, SECTION 2, OF THE HAWAII CONSTITUTION TO THE COMPOSITION OF THE BOARD OF EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

At 1:48 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:49 o’clock p.m.

Stand. Com. Rep. No. 791 (S.B. No. 1637, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 791 was adopted and S.B. No. 1637, 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, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 794 (S.B. No. 1814, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 794 be adopted and S.B. No. 1814, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I rise in opposition to this bill.

“First of all, the impact fees that we have already are bad enough because they add to the cost of housing that we’re complaining about. Secondly, what this bill would specifically do, it says it will establish a fair share amount of impact fees and it doesn’t say what the parameters or standards are.

“But more egregiously, what it does is create a taxing power for the Department of Education because it transfers those impact fees directly to the Department of Education. It gives

them additional funding, no accountability, and takes this responsibility away from the counties.

“Thank you.”

Senator Inouye 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. 794 was adopted and S.B. No. 1814, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO IMPACT FEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 797 (S.B. No. 1709):

Senator Taniguchi moved that Stand. Com. Rep. No. 797 be adopted and S.B. No. 1709, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure and stated:

“Madam Vice President, I rise in opposition to this measure.

“I rise in opposition to the measure, colleagues, because if this measure passes, it will be the fourth time we’ve created such an agency during my tenure in state government. The first one I remember is the Hawaii International Services Agency and two others after that. We need to have consistency of purpose.

“The second reason for questioning why to do it now is that during the last 30 years, we’ve become an increasingly global society. So the justification that you could have made for this 40 years ago, I don’t believe currently exists today. So I’ll be voting in opposition.

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 797 was adopted and S.B. No. 1709, entitled: “A BILL FOR AN ACT RELATING TO THE OFFICE OF INTERNATIONAL AFFAIRS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 804 (S.B. No. 682, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 804 be adopted and S.B. No. 682, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak on the measure with reservations and said.

“Madam Vice President, please put down my reservations to this bill.

“I know that the Attorney General says that he needs this bill to, quote, ‘show proof of diligently enforcing the tobacco law,’ but I don’t know of the problems that they have right now that they can enforce.

“More importantly, they put a fee in here, and the fee is very interesting because it’s \$39. I don’t know how they got \$39 – if they wanted to show that it was a sale, it was under \$40. I’m not sure. They haven’t justified why it’s \$39, and I believe that’s an annual fee as well.

“Thank you.”

Senator Baker rose to speak in support of the measure and said:

“Madam President, I have some remarks in support of this administration bill which definitely will go a long way to help us curb access to tobacco products by minors.”

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

“Mr. President, I rise in support of S.B. No. 682, S.D. 2, which is an administration bill.

“This is an important measure that will provide strict provisions regarding the sale of tobacco and thus help reduce the use of tobacco among Hawaii’s youth. Youth access to tobacco products is a significant factor in determining if a minor will ever smoke, experiment with tobacco, or become an occasional or regular tobacco user. Youth generally acquire tobacco one of three ways: purchase the product from retail outlets; get it from parents with or without parents’ knowledge; or get it from peers. A retail business is the most common way a minor acquires tobacco products. Studies from the Centers for Disease Control and Prevention have shown that 90 percent of current smokers began smoking before the age of 18. The longer it is possible to delay experimentation and use of tobacco, the more likely it is an individual will not become a regular user.

“Hawaii’s youth continue to take up smoking at an alarming rate, with almost 15 percent of Hawaii’s public high school students reporting that they are current smokers. The use of tobacco costs our society dearly – it is responsible for over 1,100 deaths per year in Hawaii alone and costs the state over \$525 million in health care and other associated costs per year.

“Meanwhile, cigarette companies are constantly targeting America’s youth in their attempt to sell their deadly product to a younger market. Our best defense against these statistics is to provide enforcement agencies with a means of monitoring and limiting the sale of tobacco products. This bill offers provisions to do just that. S.B. No. 682, S.D. 2, sets strict standards for retailers who want to sell tobacco products and provides hefty penalties for those who do not comply with the law.

“Requiring permits for the retail sale of tobacco products is not a new concept. Hawaii is only one of 10 states that does not require a permit to sell tobacco products at the retail level. This bill will greatly assist to curb the sale of counterfeit stamped products and counterfeit cigarettes that has resulted in the loss of millions of tax revenue due the state of Hawaii. More importantly, the effective monitoring and enforcement advanced by this measure will have the added benefit of helping curb the sales of cigarettes to minors.

“Mr. President and colleagues, please join with our Department of Health, the Attorney General, Department of Taxation, the American Lung Association, the American Cancer Society, the Coalition for a Tobacco Free Hawaii, the Senate Health Committee and others in strong support of this important bill.

“Mahalo.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 804 was adopted and S.B. No. 682, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TOBACCO,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 807 (S.B. No. 802, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 807 be adopted and S.B. No. 802, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose and said:

“Madam Vice President, my inclination is to vote against this bill because it has created a special fund, but I had heard that the special fund had been taken out in the S.D. 2. I don’t see proof of that – if someone can correct me or update me. Otherwise I’m voting ‘no’ because it is a special fund.

“Thank you.”

Senator Baker rose to speak in support of the bill as follows:

“Madam President, I rise in support of S.B. No. 802, S.D. 2, which is an administration measure.

“For many of Hawaii’s residents, especially our senior citizens, prescription drugs are a vital part of everyday life. Unfortunately, the cost of these live-saving medications continues to rise.

“Despite our best efforts through Hawaii Rx Plus and other cost containment strategies, some of Hawaii’s most vulnerable seniors are at risk. Due to the recent enactment of the Medicare Modernization Act at the federal level, Hawaii seniors who used to get free medications will now have to pay part of the cost of getting their prescriptions filled. These so-called dual eligibles – eligible for both Medicare and Medicaid – now will only be able to receive Medicare benefits.

“That’s where the proposed state pharmacy assistance program contained in this measure comes in. This program, funded through rebates from drug manufacturers, will provide the co-payments for these vulnerable seniors so they can continue to receive the medications they once received with no charge.

“This administration sponsored bill is a win-win for our seniors. Passage of S.B. No. 802 will enable our low-income elderly population to continue to get the prescription drugs that they need without having to worry about whether they can afford get their prescriptions filled because of the co-payment required by Medicare.

“I urge my colleagues, even my colleague from Hawaii Kai, to support this important measure. Mahalo.”

Senator Slom rose again and said:

“Madam Vice President, I had asked the question, ‘whether or not this bill contains a special fund,’ and it was a wonderful discussion that the good Senator, my colleague from Maui, gave us, but I’m asking the question, ‘does this bill or does this not contain a special fund?’ If it does not, I’ll be very happy to support it.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 807 was adopted and S.B. No. 802, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A STATE PHARMACY ASSISTANCE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 1:56 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:57 o'clock p.m.

Stand. Com. Rep. No. 811 (S.B. No. 1469, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 811 be adopted and S.B. No. 1469, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hogue rose to speak in opposition to the bill and said:

"Madam Vice President, on behalf of the good Senator from Waimanalo, who was recently married and would hate to continue to pay these increases in fees, I will be voting 'no' and I urge all others to do so as well.

"Thank you."

Senator Baker rose to speak in support of the measure and stated:

"Madam President, I rise in support of S.B. No. 1469, S.D. 1.

"My Oahu colleagues may not know that marriage license agents on the neighbor islands are mostly independent small business entrepreneurs. It was at their request that this measure was introduced.

"Hawaii has a thriving wedding business and it depends largely on the important services that these independent agents provide to our visitors as well as our residents. Yet, with this thriving visitor segment, it has been seven years since the independent agents who issue marriage licenses have had their compensation adjusted. In those seven years, their costs have gone up to the point that the current compensation rate of \$9 is not sufficient to even cover their costs of issuing the licenses.

"Let me provide some historical perspective: in 1992 the marriage license fee was \$16 and the agent compensation was \$8. In 1993, the fee went to \$25, agent compensation stayed at \$8. When the fee was raised to \$50 in 1998, the independent agent's compensation was finally increased, but by a mere \$1. In 2002, the marriage license fee went up again to \$60 but their compensation remained at \$9. So the last time compensation for independent agents was changed was in 1998. It has remained at \$9 for seven years since then. The \$5 surcharge per marriage license provided by this bill is a modest and long overdue increase in compensation to a small group of dedicated individuals who help support Hawaii as a wedding destination.

"I urge my colleagues to join me in voting yes on this measure."

Senator Trimble rose to speak in opposition to the measure as follows:

"Madam Vice President, I rise in opposition to the measure.

"We seem to be discussing two slightly different issues. The issues of the people on the right say, 'this is an increase in cost, and when you increase the cost, less people will take advantage of the service.' I think it is in the interest of our society not to engage in social engineering, whether it be the tax on cigarettes or the tax on getting married.

"If we wish to have another bill that reapportions the amount between the parties, you probably would get a lot more support from this side of the room.

"Thank you, Madam Vice President."

Senator Hemmings rose to speak in favor of the measure and stated:

"Madam Vice President, I'm on this side of the room, and I'd like to stand up and speak in favor of this legislation.

"First of all, I'd like to second the illumination on this bill that the good Senator from Maui brought forth. It is a system that is serviced by the private sector in many areas, and this would serve to benefit those individuals who are providing this public service and make them more competitive in the marketplace.

"There are two other salient points that I hope to make that are pertinent. I can guarantee you that paying the slight increase is a heck of a lot cheaper than terminating a marriage. (Laughter.) And I can also tell you firsthand that I made an investment in this certificate in November of the year 2004, and it's the best investment or one of the best investments I've ever made. So I'll gladly support this.

"Thank you."

The Chair commented:

"Senator Hemmings, you speak from experience." (Laughter.)

The motion was put by the Chair and carried, Stand. Com. Rep. No. 811 was adopted and S.B. No. 1469, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hogue, Slom, Trimble, Whalen). Excused, 2 (Bunda, Ihara).

Stand. Com. Rep. No. 814 (S.B. No. 1420, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 814 be adopted and S.B. No. 1420, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

"Madam Vice President, I get up in opposition because we have in this bill a presumptive eligibility clause and no discussion in terms of what the cost is. So I'll be voting 'no' on this measure.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 814 was adopted and S.B. No. 1420, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Bunda, Ihara).

Stand. Com. Rep. No. 820 (S.B. No. 1747, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 820 be adopted and S.B. No. 1747, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I’m rising with reservations.

“My reservations are simple. I do not know how much it is going to cost the University of Hawaii or the University of Hawaii and the State of Hawaii to continue to start spending money for this purpose.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 820 was adopted and S.B. No. 1747, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE LYON ARBORETUM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 822 (S.B. No. 475, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 822 be adopted and S.B. No. 475, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

“Madam Vice President, I rise in opposition to this bill.

“What this bill seeks to do is to increase welfare payments and the cost of government. It seeks specifically to eliminate the 1993 year as the base, and to replace it with the current year, although ‘current’ is under discussion because we’re not decided on whether it’s 2004 or 2005. It’s a ‘pick the best year that you can.’

“Also, it has a defective date, so there is a lot of misinformation or lack of information. And I think the point is that we should have the standards and have the actual costs before we vote to change the base period, which is still used by the federal government.

“Thank you.”

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

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

“Madam Vice President, I rise in opposition to the measure on slightly different grounds.

“We have what could be considered a fixed pool of money, and if you raise the amount, it’s a ratchet, so if we do it this year, it cannot go down in the future. And so I tend to vote against ratchets, this being one of them today.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 822 was adopted and S.B. No. 475, S.D. 2, entitled:

“A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 823 (S.B. No. 486, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 823 be adopted and S.B. No. 486, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the bill as follows:

“Madam Vice President, I stand to vote against this bill.

“The bill is to provide additional non-school instruction or programs for our youth. The only problem is, although the measure is to establish safe, structured, learning environments and programs for children and youth, they’re not spelled out. So we don’t know what we are getting for an expenditure of over \$2 million.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 823 was adopted and S.B. No. 486, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CHILDREN AND YOUTH,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 824 (S.B. No. 1022, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 824 was adopted and S.B. No. 1022, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HUMAN SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 825 (S.B. No. 1103, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 825 be adopted and S.B. No. 1103, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I rise in opposition to this bill.

“The reason for this – I support the program as discussed, but again, it’s a raid on the emergency rainy day fund. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 825 was adopted and S.B. No. 1103, S.D. 2, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION TO HALE MAHAOLU FOR PERSONAL CARE PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 826 (S.B. No. 1750, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 826 be adopted and S.B. No. 1750, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings rose to speak against the measure as follows:

“Madam Vice President, I rise to speak against this legislation.

“Unfortunately, this bill seems to be more politically motivated than sound fiscal management. It seems that the executive branch of government and Lillian Koller or specifically the Director of the Human Services Department has found and utilized millions of new federal dollars that prior administrations failed to even recognize over their then purview of the budget. This has been a tremendous asset to the State of Hawaii for budgetary purposes because we are spending federal dollars rather than dollars out of the state coffers. In light of this, the executive branch of government in managing this new resource has done an excellent job of putting the money into human service programs eligible under federal guidelines.

“I know there will be others who will step up and say that they’re being audited, and be our guest, please do audit. Prior indications from the federal agencies involved in this say that Lillian Koller and the Department of Human Services have done an excellent job of managing these resources.

“There may be critics who stand up and say that they’re spending public money for television ads to educate young people to not indulge in drugs. This particular practice has been cleared by the federal regulators and is clearly within the purview of the use of this money, and secondly, it is something this very Legislature did last year, I believe, in Act 41, the alleged ‘ice’ omnibus bill.

“Third of all, this Legislature wants to have management oversight of the executive branch of government which we could say is within our purview of responsibility. But we are not a fulltime Legislature, and since we have a 60-day Session that convenes on the 3rd Wednesday in January and oftentimes finishes in early May, there are many times when the executive branch of government is going to have to move expeditiously to use these federal funds for the benefit of the needy and for social service programs, and therefore, legislative oversight would be a hindrance to that process.

“I would suggest to our colleagues on the other side of the aisle that we, for a change, drop our partisan weapons and consider just doing what is prudent, fiscally responsible, and expeditious to serve the truly needy in our society.

“If there is one shred of evidence that this money is not being used wisely and for the benefit of the truly needy in our society, this bill may have merit. If there is one shred of evidence that this bill is not helping the people that we allegedly first and foremost pledge ourselves to help, the less fortunate in our society, then I’d say I should be going along with you, but there is no evidence that is true.

“And to further analyze the situation, what we are really doing is chastising an agency and chastising a director who has done a marvelous thing – and that is to find federal money. In the past, millions of dollars have not been utilized to help the very needy of our people. This bill is not needed. It is counterproductive. And if carried to its farthest extent, this bill could serve as a deterrent to the executive branch of government helping the truly needy in our society.

“I’d urge my colleagues to take serious consideration of the move against this bill or recommit it for further consideration.

“Thank you, Madam Vice President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 826 was adopted and S.B. No. 1750, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO LEGISLATIVE OVERSIGHT OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS AND FUNDING EXPENDITURES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 827 (S.B. No. 1772, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 827 be adopted and S.B. No. 1772, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to this measure and stated:

“Madam Vice President, I rise in opposition to this bill.

“At first glance, it looks like an innocuous bill just to require that those employers who are paying medical assistance for their employees be tallied and reported on a list from the department if they have more than 25 employees. However, reading into the bill further and particularly, into the committee report, it’s very interesting. It says, ‘Your Committee finds that this measure is necessary to substantiate unsettling rumors circulating among the community that certain employers in the State are undermining of the State’s Prepaid Health Care Act.’

“Well, first of all, I didn’t know we passed legislation to validate rumors. First of all, you have to find out if the rumor is true, and I would suggest that the vast majority of employers are doing exactly what they have to after the costly and unfair Prepaid Health Care Act. Secondly, the report uses the term, ‘reportedly pay their employees wages that are just low enough to enable the employees to qualify for State programs.’ Then it goes on further to say, ‘these employers surreptitiously shift . . .’ I couldn’t see a worse committee report if I tried.

“If we’re going to deal with rumors or we’re going to deal with labor union charges, because they’re the ones that supported this bill, then so be it, then say so unabashedly. But this is not good legislation, it’s not fair legislation, it’s not needed legislation. And, if we’re really concerned about employers who do not live up to the precepts of prepaid healthcare because they hire casual, part-time, emergency, short-term employees, then we have to look at our state government because they are the worst offenders in the state.

“Thank you.”

Senator Fukunaga rose to speak in support of the bill as follows:

“Madam Vice President, I rise to speak in support of this measure.

“I’d like to read from page 1, lines 10-17 of Senate Draft 1 of this bill:

‘For example, in Georgia, more than ten thousand children of Wal-Mart employees were enrolled in Georgia’s public health insurance program for children, PeachCare, according

to a 2002 state government study. The number of Wal-Mart employees' children enrolled in the program far exceeded the number of children of any other employer. Wal-Mart's failure to cover these children cost federal and state taxpayers an estimated \$6,600,000. In Washington, Wal-Mart had four hundred fifty-three children, the highest in Washington, enrolled in Medicaid in 2002.

'The purpose of this Act is to enable the State to determine which employers are shifting responsibility for providing health care coverage for their workers to taxpayers.'

"I would like to direct the previous speaker to read the bill itself and urge my colleagues to vote in support of this measure. Thank you."

Senator Slom rose in rebuttal and stated:

"Madam Vice President, just a brief rebuttal.

"I owe an apology to the previous speaker. I did not know that this was an anti-Wal-Mart bill. I'm sorry, and I did not know that this was about Georgia and other states in the union. I naively thought that it was about Hawaii and the rumors and the reported problems here that have not been documented.

"So I will vote 'double no' on this bill. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 827 was adopted and S.B. No. 1772, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 831 (S.B. No. 1272, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 831 be adopted and S.B. No. 1272, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

"Madam Vice President, I'm voting 'no' on this bill because again, it's a prohibition against the Governor and cabinet level officials and the executive branch to exercise their executive authority.

"Thank you."

Senator Trimble rose to speak in opposition to the bill as follows:

"Madam Vice President, I'm also voting against this measure, and I'm voting against it because it has not been shown to be a problem. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 831 was adopted and S.B. No. 1272, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UTILIZATION OF FEDERAL FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 834 (S.B. No. 433, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 834 be adopted and S.B. No. 433, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

"Madam Vice President, I'm voting against this bill.

"The word is fraud and the potential for fraud. There is only one state in the union that utilizes this mail-in procedure and that's the State of Oregon, and they have a lot of legal challenges and problems about special interest groups that have mass mailed in ballots. There is very little in the way of checking or accounting, and I think this is a bad way for us to go.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 834 was adopted and S.B. No. 433, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS BY MAIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 835 (S.B. No. 617, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 835 be adopted and S.B. No. 617, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill and said:

"Madam Vice President, I rise in opposition to this measure.

"I have two concerns. The first concern is that once we start by having certified interpreters for some languages and not others, that we call into question the court cases that have the others. The second reason is that we do not have a cost estimate or timetable to fully implement this process once we start down the road, and I just thought of a third reason to oppose it. There are many instances when the first language of a person, who may be trilingual, is not one where there is a certified interpreter. And I have a reservation or fear that there will be a tendency to use a certified interpreter in a language that is not the first language as opposed to a non-certified interpreter in the first language.

"So, I think this measure has more questions to be answered, and perhaps some unexpected consequences. Thank you."

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 835 was adopted and S.B. No. 617, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COURT INTERPRETER SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 836 (S.B. No. 618, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 836 be adopted and S.B. No. 618, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Madam Vice President, I rise in opposition to this bill.

“The problem here, as we saw in testimony, is that the Judiciary does not really have any incentive to collect its bills, and we’re making it easier for them just to write off bills rather than go to either private agencies or others when they know they can just come to the Legislature and get more money. They should have a prudently fiscal policy and more aggressive approach to trying to collect bills.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 836 was adopted and S.B. No. 618, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO UNCOLLECTIBLE ACCOUNTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 837 (S.B. No. 673, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 837 be adopted and S.B. No. 673, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom 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. 837 was adopted and S.B. No. 673, S.D. 2, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 839 (S.B. No. 825, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 839 be adopted and S.B. No. 825, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure and stated:

“Madam Vice President, I rise in opposition to this measure.

“Again, we’re doing it piecemeal. It’s time that we have a comprehensive review of what is appropriate and what is not appropriate instead of taking this up selectively – one at a time or two at a time every year. The second problem is that our government employees spend a lot of time worrying about retirement. Perhaps we would spend less time in this Chamber discussing this issue and they would spend less time thinking about the issue if we moved from a legislative benefit program to a legislative contribution program. So, please think about that, colleagues, in moving forward.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 839 was adopted and S.B. No. 825, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 840 (S.B. No. 828, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 840 be adopted and S.B. No. 828, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the bill and said:

“Madam Vice President, the same remarks that I just spoke about on the above bill are appropriate on this one. But I’m fascinated to notice that the description and title, even though it applies to the same thing, is very different.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 840 was adopted and S.B. No. 828, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CORRECTIONS OFFICERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 843 (S.B. No. 1327):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 843 was adopted and S.B. No. 1327, entitled: “A BILL FOR AN ACT RELATING TO THE CRIME VICTIM COMPENSATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 2:21 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:29 o’clock p.m., with the President in the Chair.

Stand. Com. Rep. No. 844 (S.B. No. 1328, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 844 be adopted and S.B. No. 1328, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the measure as follows:

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

“This measure would impose an increased \$10 fee on defendants for the Criminal Victim Compensation Fund. And while I believe, certainly, that victims should be compensated, and I would love to see the defendants pay for it, we have a history where defendants, in fact, say that they can’t pay for it, they don’t pay for it, and this gets back to the bill that I just voted against a few minutes ago, why the Judiciary has so many uncollected fees.

“So, adding an additional fee is not going to guarantee revenue or make sure that the victims get compensation they deserve. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 844 was adopted and S.B. No. 1328, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE CRIME VICTIM COMPENSATION FEE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Ihara, Inouye).

Stand. Com. Rep. No. 848 (S.B. No. 55, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 848 be adopted and S.B. No. 55, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

“Mr. President, I rise against this bill.

“This is the annual forced compulsory meal break bill, which bears no resemblance to what happens in the real world. We had employers come forward and testify about what happens in real life – H-Power drivers, for example, and other people that are involved in construction projects. Let’s make sure that we understand that employers are not to deny people breaks or meal breaks. It’s just that the government should not be imposing its rule in telling them when they have to do it and in what time frame, when that does not match the business or industry.

“Thank you.”

Senator Espero rose to speak in support of the bill and said:

“Mr. President, I’d like to rise in support of this measure.

“This bill provides a simple benefit to the working men and women of our state. If you start work at 7:00, by noon, you could have lunch. If you start work at 1:00, by 6:00, you could have dinner. If you start work at 7:00, by midnight, you could have a midnight meal.

“Sounds very simple, very reasonable. Recently, we took a lunch break after two hours of sitting down and talking, and I heard no objections. I think, at the very least, we could pass this bill.

“Thank you, Mr. President.”

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. 848 was adopted and S.B. No. 55, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO MEAL BREAKS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (Hemmings, Hogue, Ige, Sakamoto, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 850 (S.B. No. 425, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 850 was adopted and S.B. No. 425, S.D. 1, entitled: “A BILL FOR AN ACT

RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Kim, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 851 (S.B. No. 533, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 851 be adopted and S.B. No. 533, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Mr. President, again, I rise in opposition to this bill.

“This is a bill that forces the legislative will upon employers and changes the relationship between family leave and sick leave, and again, I remind my colleagues that sick leave is not a mandated benefit, and the real victim of legislation like this would be additional flexible sick leave for employees.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 851 was adopted and S.B. No. 533, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FAMILY LEAVE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 6 (Hemmings, Hogue, Ige, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 856 (S.B. No. 933, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 856 be adopted and S.B. No. 933, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the bill as follows:

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

“Again, this is an annual bill trying to make sure that everybody gets paid prevailing wages whether they’re on the job or not, whether they’re trained or not, whether they’re apprentices or not. It will increase the cost of construction of projects. It is an undue interference into private contractual arrangements and it will increase the cost of the things we have, including housing.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 856 was adopted and S.B. No. 933, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PREVAILING WAGES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 857 (S.B. No. 935, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 857 be adopted and S.B. No. 935, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the measure as follows:

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

“It expands the payroll requirements under the Davis Bacon Act. It increases costs and again interferes with employer/employee relations.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 857 was adopted and S.B. No. 935, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC WORKS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 866 (S.B. No. 1192, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 866 be adopted and S.B. No. 1192, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

“This bill will restrict a number of exempt employees and again is in interference with the executive branch and those other branches that in fact have a need for employees who are not too qualified for civil service positions.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 866 was adopted and S.B. No. 1192, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EXEMPT EMPLOYEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 869 (S.B. No. 1352, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 869 be adopted and S.B. No. 1352, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition as follows:

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

“Colleagues, our government employees get 21 days of sick leave, 21 days of vacation that they can accumulate. You can accumulate up to 90 days worth of vacation. You can accumulate 21 days of sick leave forever. I had, I think, 22 months of sick leave credited to my retirement when I retired.

“The issue is not about whether bone marrow donation or kidney donation is worthwhile. It absolutely is. Yesterday at Hawaii Blood Bank, I gave my 93rd pint, but I don’t believe that mandating seven days for bone marrow or 30 days for kidney transplant is going to affect, in the mind’s of a single state employee, whether he’s going to do this or not. So I will be voting in opposition.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 869 was adopted and S.B. No. 1352, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Ige, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 870 (S.B. No. 1395, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 870 be adopted and S.B. No. 1395, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

“Mr. President, I stand in opposition to this measure.

“This measure would grant special privileges to DOE civil service employees even though they are not required to undergo the same rules, regulations, policies, and procedures as DHRD. In order for that to occur, the Legislature would have to mandate that DOE have the same kinds of procedures and that would be in opposition to Act 51 and their autonomy that they gained last year.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 870 was adopted and S.B. No. 1395, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DEPARTMENT OF EDUCATION CIVIL SERVICE PERSONNEL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 871 (S.B. No. 1578, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 871 be adopted and S.B. No. 1578, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the measure as follows:

“Mr. President, I stand in opposition to this bill.

“This is supposed to help people get off unemployment compensation but in fact there would be even less incentive to do so because they would continue to get their weekly unemployment benefits as well as salary.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 871 was adopted and S.B. No. 1578, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO UNEMPLOYMENT BENEFITS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 879 (S.B. No. 1773, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 879 be adopted and S.B. No. 1773, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

“Mr. President, I’m voting in opposition to this bill.

“I have a great deal of respect and admiration for social workers, however, when this bill was considered, I heard the description that social workers have been created by this Legislature as, quote, ‘a unique and special class individuals,’ unquote. I don’t think that they’re any more unique and special than the other public employees or private employees that we deal with, and I think they should be dealt with equitably and this bill does not do that, so I cast a ‘no’ vote.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 879 was adopted and S.B. No. 1773, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO SOCIAL WORKERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 881 (S.B. No. 541, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 881 be adopted and S.B. No. 541, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition as follows:

“Mr. President, I stand in opposition to this measure.

“Colleagues, this is yet another tax credit. We can’t raise the standard deduction of personal exemptions for our working folk because we give tax credits to the more fortunate.

“I will be casting a ‘nay’ vote.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 881 was adopted and S.B. No. 541, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO DIGITAL MEDIA,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 882 (S.B. No. 575, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 882 be adopted and S.B. No. 575, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings rose to speak against the measure and said

“Mr. President, I want to record to reflect a ‘no’ vote for me.

“I would suggest that this laudable effort to celebrate the life and times and the conquest of the Hawaiian Islands by King Kamehameha be funded through the organization that has the resources to do so and should be doing so, and that’s the Office of Hawaiian Affairs.

“Mr. President, I believe the record will show that they have somewhere in the reserves of \$300 million. It’s something that they could afford to do and something they should do to preserve the culture and the integrity of Kamehameha’s reign as king of the islands.”

Senator Slom rose to speak against the measure as follows:

“Mr. President, I, too, speak against this bill because of the funding.

“In this case, this appropriation creates a special fund.”

Senator Trimble rose to speak in opposition to the measure and stated:

“Mr. President, I rise in opposition to the measure on yet another grounds.

“We have a process already for parades and celebrations to get state funding. It is inappropriate for the Legislature to do them one by one. I remember that two years ago we had a different one-time appropriation for I believe it was the Martin Luther King Day Parade. So I’ll be voting in opposition.

“Thank you.”

Senator Fukunaga rose to speak in support of the measure as follows:

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

“To respond to some of the concerns raised by the prior speakers, I note that this bill is based upon a trust fund being established in conjunction with the Hawaii Community Foundation and the King Kamehameha Commission. The King Kamehameha Commission was previously funded through state funds through 1996 when it lost all of its state funding; since then, it has had to rely entirely on donations and grants for support.

“This trust fund will build upon an existing children’s trust fund model which has been successfully implemented by the Hawaii Community Foundation over the past 11 years. It is intended to provide ongoing support for a holiday that King Kamehameha V decreed by proclamation in 1871 that each June 11th be celebrated as King Kamehameha Day.

“For these reasons, I urge my colleagues to vote in support of this measure. Thank you.”

Senator Slom rose and inquired as follows:

“Mr. President, if I may, I’d like to ask the previous speaker if this so-called trust fund would be free from any potential raiding by the Legislature. Is there anything to guarantee that the fund cannot be raided?”

“Thank you.”

Senator Chun Oakland rose to respond as follows:

“Mr. President, may I respond to that?”

“When we established the Hawaii Children’s Trust Fund by the Legislature in 1993, we actually put in only one dollar of state funds. As a result, we now have about \$10 million of private funding not raided.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 882 was adopted and S.B. No. 575, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE KING KAMEHAMEHA CELEBRATION COMMISSION FUND,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 884 (S.B. No. 819, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 884 was adopted and S.B. No. 819, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HISTORIC PRESERVATION SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 886 (S.B. No. 1171, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 886 be adopted and S.B. No. 1171, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Fukunaga rose in support of the measure and said:

"Mr. President, I have some remarks in support of this measure that I'd like to have inserted into the Journal."

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

"Mr. President, I rise to speak in support of S.B. No. 1171, S.D. 2, Relating to Electronic Commerce.

"The bill requires Department of Taxation, together with designees selected by the Senate President and Speaker of the House of Representatives, to:

- Identify issues that must be resolved to implement a streamlined sales and use tax that is based on the national Streamlined Sales Tax Project's model Agreement and Act, including issues of conformance with the State's existing general excise tax law and other laws as may be required;
- Draft policy recommendations to resolve these issues for the Legislature to consider; and
- Conduct informational briefings for the Legislature on its recommendations and submit proposed legislation to the 2006 Legislature.

"The bill also deletes the Advisory Council established in 2003 through the Hawaii Simplified Sales and Use Tax Administration Act. To date, the Governor has yet to appoint any members to that Council, which in effect prevents the Department of Taxation from performing its duties under Chapter 255D, Hawaii Revised Statutes.

"The National Conference of State Legislatures (NCSL) estimated that in 2003, Hawaii lost approximately \$112,000,000 to \$117,000,000 in state and local revenues due to the State's inability to capture tax revenues from electronic commerce transactions. By 2008, NCSL projects that Hawaii will lose between \$157,000,000 and \$245,500,000 if nothing is done by that time – making it one of the top ten states in terms of tax revenues lost in electronic commerce transactions.

"During the 2003 Session, Senator Steve Rauschenberger (Illinois) met with legislators in a series of briefings on the Streamlined Sales & Use Tax Interstate Agreement, and his expertise was invaluable in passage of Act 173, SLH 2003, mentioned previously, Senator Rauschenberger has agreed to an additional round of meetings with Hawaii legislators and critical stakeholders March 23rd and 24th, when he will provide us with further information on states efforts at compliance.

"At present, Department of Taxation opposes S.B. No. 1171, S.D. 2, and particularly objects to the deletion of the Advisory Council. However, given the fiscal implications upon the State's revenues picture of the Department's failure to act, I believe that the Legislature must take the lead in advancing multistate discussions – and seek to persuade the department to join in the effort.

"To address questions that have arisen on the subject of Streamlined Sales Tax compliance, I am also inserting the following discussion of commonly-asked questions and answers into my remarks for the Senate Journal. I ask my colleagues' support of our legislative efforts to pursue compliance of the Streamlined Sales & Use Tax embodied in Senate Bill No. 1171, S.D. 2."

Q. What is the Streamlined Sales Tax Project (SSTP) – is this a new tax?

A. No. It provides a more efficient way of collecting Hawaii's existing tax.

Briefly, SSTP is an effort created by state governments – with input from local governments and the private sector – to simplify and modernize the collection and administration of the sales and use taxes. SSTP's proposals include tax law simplification, more efficient administrative procedures, and implementing emerging technologies to substantially reduce the burden of tax collection.

Proposals are focused on improving sales and use tax administration systems for both local businesses and remote sellers of all types of commerce – including fast-growing Internet sales.

What the Agreement does is to facilitate collection of pre-existing sales (or in the case of the State of Hawaii, general excise and use) taxes in an efficient manner by making it easier for businesses that are responsible for assessing and collecting a sales, general excise, or use tax to do so via electronic means. Doing so will assist in the equitable dispersal of general excise and use tax liability within the State so that persons who do not shop online do not end up paying an inordinate share of such taxes.

Q. Why should Hawaii be involved?

A. In 2003, it is estimated that Hawaii lost approximately \$112,000,000 to \$117,000,000 in state and local revenues due to the State's inability to capture tax revenues from electronic commerce transactions.

The National Conference of State Legislatures (NCSL) estimates that by 2008, Hawaii could lose between \$157,000,000 and \$245,500,000 if the State does not participate in the SSTP. Hawaii stands to be one of the top ten states in terms of tax revenues lost in electronic commerce transactions.

Q. Since Hawaii doesn't have a sales tax, will Hawaii have to adopt a whole new tax framework?

A. Not necessarily. Hawaii's general excise and use taxes are statewide taxes – and because the counties do not currently assess additional regional sales taxes – adoption of modifications to its excise and use tax laws should be fairly simple.

Q. What about the proposal to give the counties taxing authority for transportation projects?

A. Participating in the Streamlined Sales Tax Agreement will not affect county taxing proposals pending this year.

As long as the applicable tax rate of a county has been reported to the entity or agency responsible for making sure Hawaii's tax rates are being imposed under any sale that is subject to the Streamlined Sales Tax, then any county taxing authority would be unimpaired and unaffected by the Streamlined Sales Tax Agreement.

Q. When will the Streamlined Sales Tax be fully implemented so that Hawaii will be able to start receiving revenue from it?

A. The national Streamlined Sales and Use Tax Agreement will take effect in October 2005 for those states that have approved conforming legislation. Since Hawaii is not one of these states, conforming legislation would have to be approved by the 2005 or 2006 legislatures to take advantage of the Agreement.

Q. How will Hawaii's share of sales tax revenues be calculated?

A. Calculating the appropriate tax revenue will be based on the buyer's destination – therefore, if the buyer has a Hawaii zip code, the buyer pays Hawaii's existing 4% use tax and the seller is responsible for transmitting that tax to the State of Hawaii.

The identity of a purchaser remains confidential and secure regardless of whether the tax operating system is administered by the State or contracted out to a private contractor.

Q. Is there a downside for Hawaii-based businesses?

A. No. In fact, it will help Hawaii businesses offering the same products as businesses located outside of the State be more competitive with out-of-state businesses. This is because businesses domiciled in participating states will have to assess and collect the Hawaii use tax on purchases made by Hawaii residents and delivered to Hawaii.

Q. Will Hawaii lose any authority to administer state taxes if it participates in the SSTP?

A. No. Although there will be national standards – such as standard definitions for taxable items – Hawaii will still choose whether or not to tax those items at all. Each state retains its sovereignty over its own tax systems.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 886 was adopted and S.B. No. 1171, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC COMMERCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 889 (S.B. No. 1695, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 889 be adopted and S.B. No. 1695, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure as follows:

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

"This is a tax credit that will remain on the books for quite a while and will be potentially liable for future generations to pay. I agree that we do need sources of funds for investment in start-up companies and high technology companies, however, the simple approach is the best approach. We passed out another measure this morning on a vote that kind of told the employees retirement system that it's okay, they can take money up to a certain percent and invest in venture capital funds. Even in Hawaii they can invest in venture capital.

"So I'm voting against the measure not because I oppose investment in start-ups, but I think the appropriate mechanism is first to look at the employee retirement system instead of creating a series of tax credits that will be on the books many years in the future for somebody else to potentially pay.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 889 was adopted and S.B. No. 1695, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL INVESTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 891 (S.B. No. 1702, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 891 be adopted and S.B. No. 1702, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition as follows:

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

"I speak against the measure because I'm a firm believer in keeping it simple and keeping it as transparent as possible and keeping things in the public sector as close as possible to the public sector. So I am opposed to the creation . . . and can we note for the record that the High Technology Development Corporation is a nonprofit corporation already. So, I have a problem with creating the new attached high technology nonprofit corporation.

"So I'll be voting in opposition to this measure."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 891 was adopted and S.B. No. 1702, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 892 (S.B. No. 1721, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 892 be adopted and S.B. No. 1721, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

"Mr. President, I speak in opposition to this bill.

"I don't know why we need a state run, state operated, state designed cultural public market. We have cultural meeting places and gathering places all over the island that have already been developed. We certainly have people's markets and agricultural markets. To set aside 10 acres in Kakaako at this time is premature because we may have higher and better use for that land.

"Thank you."

Senator Trimble rose to speak in opposition to the measure as follows:

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

"I want to note or follow-up on what the good Senator from Hawaii Kai said – 10 acres on something that was built for all the smells and tastes and sounds of Hawaii. I note by comparison that the Polynesian Cultural Center, that does not attempt to do as large a job, has 42 acres or four times the size.

"When we look at tourism, I would hate to see that we had one group that marketed themselves as representing all of Hawaii. I think it would adversely affect other tourist destinations on this island and our other islands if we went forward with the public development of this project.

"Thank you."

Senator Kim rose to speak in support of the measure as follows:

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

"Mr. President, this would create a cultural market in the Kakaako area. It does not take up all 10 acres. It is not going to be state-operated and state-run. What this measure will do is advise or recommend to the HCDA that the RFP would include that whatever commercial development goes in that area to include some sort of cultural market because we are culturally diverse here in Hawaii. It's about time that we showcase us as a melting pot and we showcase all of our rich cultures and the different nationalities and cultures that make up Hawaii and make up the melting pot of this world.

"We have tried for years to put some kind of development, private development over at Kakaako, and to this date, we have not been successful in doing that. And so this goes ahead and recommends to the developers that are proposing to put a development there that part of the development should highlight our culture. It will also be a place that local people can go to buy different kinds of foods and whatever the different nationalities have to offer. We could showcase all of the talent of the people here in Hawaii and our tourists would have someplace to go for activity. It would create businesses. It would create places for us to have entertainment in the evening time. It would be like a Pike's Market in Seattle or some world class area throughout the world. It's about time that we start to direct how we would like our activity on our waterfront to occur and not just sit here and be at the mercy of the developers.

"I urge my colleagues to vote in favor. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 892 was adopted and S.B. No. 1721, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A STATE CULTURAL PUBLIC MARKET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 893 (S.B. No. 1792, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 893 be adopted and S.B. No. 1792, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

"First of all, I think we have a very difficult time providing international incubators because the countries around the world already do such a good job in that already. The only problem is they're still not taking Hawaii seriously as a business location.

"This should be our first and foremost venture and it's not by creating incubators, because an incubator is an artificial situation where you put a business there, you give them subsidized rent, subsidized employment, exempt them from many of the laws that we have, and then send them out into the real world.

"Also, this bill provides for unspecified amounts of fees. Thank you."

Senator Trimble rose to speak in support of the measure as follows:

"Mr. President, I rise in support of this bill.

"My interpretation of what I read is that it would allow High Tech Development Corporation to charge for services they provide. And in many cases when a company is looking at Hawaii from abroad, they tend to trust the public sector more for the initial step. So this would enable High Tech Development Corporation to charge what it costs them for providing services.

"What I would hope would happen over the long run is that it would mean more business for people in the private sector after the initial level of service was provided.

"Thank you for the opportunity to speak in favor of this bill."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 893 was adopted and S.B. No. 1792, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR INTERNATIONAL BUSINESS AND TECHNOLOGY INCUBATOR PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 894 (S.B. No. 1186, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 894 be adopted and S.B. No. 1186, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure as follows:

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

"When the hotel tax credits were originally talked about, we were in a period of higher unemployment. It had been following 9/11, SARS, and it was advertised, promoted as a

way to increase employment, particularly in the construction trades. If you want to note today, our unemployment rate is among the lowest, construction is booming. If anything, to pass this measure at this time could be considered by many to be inflationary. Therefore, I will be voting against this measure.

“Thank you.”

Senators Hooser and Ige 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. 894 was adopted and S.B. No. 1186, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HOTEL CONSTRUCTION AND REMODELING TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 896 (S.B. No. 1730, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 896 be adopted and S.B. No. 1730, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure as follows:

“Mr. President, I vote against this measure because what this measure seeks to do is to go against what’s happening in the real world economy and marketplace, and that is the conversion of hotel rooms to transient accommodations or to timeshare. So it seeks to punish timeshare, which of course is a private sale in the first place, and should not be subject to the transient accommodations tax.”

Senator Trimble rose to speak in opposition to the measure and stated:

“Mr. President, I also am rising in opposition to the measure.

“I think, colleagues, that we ought to remember that it’s easy for us to mandate something. It is easy for us to tax something. But when we do that, the private sector responds, and the private sector has been responding to the TAT even though it took them some years in the form of cruises and timeshares. I think that it’s appropriate before we get unhappy that businesses are responding rationally to an increase in tax, that we step back and we study the impact and projected further impact of our current TAT tax.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 896 was adopted and S.B. No. 1730, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 897 (S.B. No. 1863, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 897 be adopted and S.B. No. 1863, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure and said:

“Mr. President, the same remarks are appropriate for this bill as the last, so I will be voting in opposition.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 897 was adopted and S.B. No. 1863, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 899 (S.B. No. 609):

Senator Taniguchi moved that Stand. Com. Rep. No. 899 be adopted and S.B. No. 609, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition and said:

“Mr. President, I’m casting a ‘no’ vote because it’s the doubling of motor vehicle registration fees.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 899 was adopted and S.B. No. 609, 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, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 907 (S.B. No. 1244, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 907 be adopted and S.B. No. 1244, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

“Mr. President, I rise in opposition because it taps the rainy day fund.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 907 was adopted and S.B. No. 1244, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EMERGENCY RELIEF FOR NATURAL DISASTERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 909 (S.B. No. 1591, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 909 be adopted and S.B. No. 1591, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure as follows:

“Mr. President, I rise, I guess, in opposition.

“It has to do more with we’re appropriating money to match funds for roads that were created under somewhat unusual circumstance or unsettled circumstance now. I think what I’d

like to see is if we want to do these repairs, that we be provided a list to review or the legislative auditor reviews a list and determines what roads potentially are out there in limbo and prioritize those so that this Body knows where the money is actually going to be spent and who it's going to benefit.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 909 was adopted and S.B. No. 1591, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE 'ROADS IN LIMBO' PROGRAM IN HAWAII COUNTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 910 (S.B. No. 1732, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 910 was adopted and S.B. No. 1732, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A LOCAL FLOOD WARNING SYSTEM FOR LAKE WILSON," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 911 (S.B. No. 1752, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 911 be adopted and S.B. No. 1752, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition as follows:

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

"Last year when this bill came up, one of our colleague's major complaint was that she had difficulty in getting an additional parking pass and that was the reason to transfer the operation of this Capitol building to the Legislative Committee. Now, however, thank God that problem has been solved. We can all sleep at night now and so we don't need to transfer this to the Legislative Committee.

"Can you imagine how slow the elevators could really be if the Legislature ran them. Thank you."

Senator Taniguchi rose to speak in support of the measure and said:

"Mr. President, I have comments in support of this measure I'd like inserted in the Journal."

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

"Mr. President, I rise to speak in support of S.B. 1752, S.D. 2.

"Mr. President, I introduced this bill because the State Capitol is primarily used by the Legislature. We occupy five levels of the six in the Capitol. Currently, the Department of Accounting and General Services (DAGS) controls the management and maintenance of the Capitol. I am not sure whether our best interests are considered when it comes to our offices, including our parking, even though we have communicated many times to DAGS what are our needs.

"Transferring control will assure that we, as the main occupants, will decide how best to allocate resources and determine where these resources should go first, especially when we are facing further damage and repairs to our building.

"Finally, this bill would ensure that the Legislature would have a mechanism to provide direct input into the management and maintenance of its facilities and offices, that is now sometimes overlooked by DAGS.

"For the above reasons, I ask my colleagues to support this measure. Thank you Mr. President."

Senator Trimble 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. 911 was adopted and S.B. No. 1752, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE CAPITOL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 914 (S.B. No. 834, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 914 be adopted and S.B. No. 834, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

"My reservations I've had every year and that is that in Hawaii a person is worth less than on the mainland because the federal code provides for a \$2,000 per person exemption and here in Hawaii the person is worth \$1,040. We were told by the Tax Department and others that we have other considerations within our tax program, but I would suggest that people that are filling out their 1040s really want conformity and they want conformity in the benefits that they receive and one of the major benefits should be equality of personal exemptions. It's not in this bill.

"I support all the others. I wish we would get in step with the federal IRS. Thank you."

Senator Trimble rose to speak with reservations on the measure as follows:

"Mr. President, I also will be voting for this measure with reservations because it's my understanding the personal exemption on the federal level is \$3,000 and not \$2,000, but I could stand corrected.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 914 was adopted and S.B. No. 834, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 916 (S.B. No. 669, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 916 was adopted and S.B. No. 669, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL QUARANTINE FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 920 (S.B. No. 1267, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 920 be adopted and S.B. No. 1267, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure and said:

"Mr. President, I am forced to vote against this bill.

"I believe in the equality of everyone, including sharks, and I think the sharks on the Windward side and the East Honolulu side are just as valuable as the ones on the Leeward Coast. I'm afraid that if we start monitoring the sharks on the Leeward side that they're going to wind up in the landfill and that would create more problems.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 920 was adopted and S.B. No. 1267, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SHARK MONITORING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 925 (S.B. No. 1592, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 925 be adopted and S.B. No. 1592, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak with reservations on the measure as follows:

"Mr. President, I rise with reservations.

"As a society, as individuals, we tend to optimize at the margin. It's a continuous process. I remember 40 years ago, no, 50 years ago going through Disneyland and going through Tomorrow Land and my memory of the whole thing was that nothing that was displayed there actually came to pass. My problem with this is that it's going to create a mindset that will not be flexible. So I do have reservations."

Senator Kokubun rose and said:

"Mr. President, may I have comments inserted in the Journal. Thank you."

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

"Mr. President, as all of you are aware, in the 2004 Session a bill was passed by the Legislature to re-institute and to review the Hawaii state plan, the state functional plans. The Governor vetoed that measure. In her veto message, essentially what she said was that the administration did not consider planning a priority and in fact she had left the position of director of the Office of Planning vacant since she had taken office.

"Mr. President, for that reason, during this Session we re-looked at the bill and feeling again that there is a great necessity for us to look forward and that for the Legislature to set goals through a planning measure for the State of Hawaii was a very, very good idea and something that we needed to carry through.

"For that reason also, and remembering the Governor's veto message from the previous Session, we made this a legislative measure. We asked that the state auditor provide the staff that would help develop that plan so that it wouldn't really put burdens on the administration. But again, it's the essence of the measure that we thought needed to move forward."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 925 was adopted and S.B. No. 1592, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PLANNING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 926 (S.B. No. 1593, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 926 be adopted and S.B. No. 1593, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

Senator Hee rose and said:

"Mr. President, will you please note that nothing interests me on this bill." (Laughter.)

Senator Inouye 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. 926 was adopted and S.B. No. 1593, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 927 (S.B. No. 1877):

Senator Taniguchi moved that Stand. Com. Rep. No. 927 be adopted and S.B. No. 1877, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"To continue the remarks I was saying earlier, if we look at the functions that are currently in the Office of State Planning, it includes the land use division, it includes GIS, and it includes coastal zone management. It is not clear in my own mind whether these functions should be more closely associated with DBEDT than they should be with the Department of Land and Natural Resources. I think that a call such as this should be made by the executive branch where the actual work of the department is being carried out. So I'll be voting in opposition to this measure.

"Thank you."

Senator Kokubun rose to speak in support of the measure as follows:

“Mr. President, I stand in support of this measure.

“Just for the record, Mr. President, I wanted to point out that, at this point, by Hawaii Revised Statute, the Office of Planning is administratively connected to the Department of Business, Economic Development and Tourism, and if the administration wishes to change that relationship, then they should come and seek an amendment to the statute.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 927 was adopted and S.B. No. 1877, entitled: “A BILL FOR AN ACT RELATING TO THE OFFICE OF PLANNING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 930 (S.B. No. 1891, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 930 be adopted and S.B. No. 1891, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senators Slom 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. 930 was adopted and S.B. No. 1891, 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, 24. Noes, none. Excused, 1 (Ihara).

Stand. Com. Rep. No. 931 (S.B. No. 1897, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 931 be adopted and S.B. No. 1897, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition as follows:

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

“What this bill seeks to do is to utilize a portion of the conveyance tax for the purpose of preserving land. I’m all for preserving land. The idea of legacy land and private contributions to hold that land is great. What I’m opposed to is the ever-increasing use of the conveyance tax to do everything other than the simple cost and recovery of expenditures for conveying real property titles or leases.

“If we take the section out of this bill, 25 percent for conveyance tax, we are guaranteeing that the tax will go up yet again. And again, this adds to the cost of housing and rentals.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 931 was adopted and S.B. No. 1897, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO LAND CONSERVATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 933 (S.B. No. 140, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 933 be adopted and S.B. No. 140, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Baker rose to speak in support of the measure as follows:

“Mr. President, I have remarks in support of this measure I’d like inserted into the Journal.”

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

“Mr. President, I rise in support of S.B. No. 140, S.D. 2 which will prohibit health insurers, mutual benefit societies and HMOs from including ‘broad discretionary authority’ clauses in any contract signed after December 31, 2005. This is a significant consumer protection matter.

“These clauses shift certain liability to employers, give insurers broad powers to define medical coverage and allow the insurers to not renew policies for any reason. Last August after numerous complaints the Insurance Commissioner by memorandum halted this unfair and deceptive practice that had become routine within the industry. While the health plan providers seem to have complied, the memorandum by the Insurance Commissioner could be challenged. Setting forth the prohibition in statute is the better way to ensure that HMO’s mutual benefit societies and health insurers will not have unfettered discretion to set the type and scope of medical coverage provided or to deny benefits or cancel coverage. Although the Insurance Commissioner did not request this legislation, he has wholeheartedly support this legislation. I would note that these clauses are outlawed by statute in Maine and Minnesota and administratively prohibited in California, Illinois, Indiana, Montana, Nevada, New Jersey, Oregon, Texas and Utah. The prohibition of these clauses is part of the National Association of Insurance Commissioners model legislation and that legislation served as the basis for this bill.

“Mr. President, I have a copy of a lengthy memorandum prepared by the Insurance Commissioner addressing the legal basis for this legislation as well as refuting some of the arguments proffered by Kaiser and HMSA. I would like to have that document inserted into the Journal.

“Mr. President and colleagues, I ask your support to adopt S.B. No. 140, S.D. 2. Mahalo.”

The insert of the memorandum prepared by the Insurance Commissioner is identified as “ATTACHMENT A” to the Journal of this day.

Senator Hogue 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. 933 was adopted and S.B. No. 140, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

At 3:06 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:16 o'clock p.m.

Stand. Com. Rep. No. 934 (S.B. No. 568, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 934 be adopted and S.B. No. 568, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Inouye rose to speak with reservations on the measure as follows:

"Mr. President, I speak on this measure with reservations.

"I have spoken with the Chair of CPH and I have grave reservations even with the amendments that the Committee Chair did say was indicated because of the opposition. However, I think there are still some grave concerns with regards to licensure, so I would like to add some of my comments and send it to the Clerk."

The Chair having so ordered, Senator Inouye's comments read as follows:

"Mr. President, I am voting with reservations on S.B. No. 568 due to concerns voiced by the Hawaii Dental Association, which believes that the bill will discriminate against all non-specialist dentists who are general practitioners. Although the bill is aimed at trying to facilitate access to specialized dental treatment, it will in the end actually decrease access to care in under-served areas.

"Also, I am concerned that this bill will allow a 'back-door' method for people who have failed the Hawaii examination, but who could then gain licensure in another state with different standards."

Senator Hogue rose to speak with reservations and said:

"Mr. President, I also speak with reservations.

"A lot of people in the dental community are very concerned. I know I was stopped by my own dentist when I had my mouth wide open and I was very concerned I was going to get a bad shot if I gave him the wrong answer. So, I have strong reservations and am hopeful that the concerns can be cleaned up along the way.

"Thank you."

Senator Slom rose and said:

"Reservations, please. I'm scared." (Laughter.)

The Chair so ordered.

Senator Baker rose to speak in support of the measure and said:

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

"I know that there are some members of the dental community who see this as the precursor to licensure by credentials, and I assure them that it is, but it's not any measure from the Legislature. It's from the fact that the Board of Dental Examiners has moved to accept a national exam, regional exams in the interim because it's been noted that Hawaii dentists cannot access Pearl Harbor in order to take a state exam.

"This is a measure whose time has come. This one deals specifically with specialists. The problem in this state is we don't have a special category for dental specialists like orthodontists who don't do general dentistry but are only licensed in a particular area.

"Your Committee heard compelling testimony from individuals who have family in this state, who live in this state and desperately want to be able to work in this state in their chosen profession but cannot because of our rules.

"This measure is fashioned after the community service license that this Legislature passed and was signed into law last year. I acknowledge that some of those in the dental community still have some concerns with this, but I would just say to them that change is painful and I hope that as we continue to work on this measure they will come to understand that they have nothing to fear from measures like this.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 934 was adopted and S.B. No. 568, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 935 (S.B. No. 1003, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 935 be adopted and S.B. No. 1003, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

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

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

"I don't know why we're discussing this bill. We just passed a law last year. It hasn't even gone into full effect and we're talking about changing the cap on the net meter energy provisions. I noticed from the committee report that everybody in the Committee voted with reservations.

"So, it looks like this is a bill whose time has not come. The defective date is 2050. I think the bill is defective all the way through and we should vote 'no.'

"Thank you."

Senator Espero rose to oppose the measure and said:

"Mr. President, I'd like to stand opposed to this bill as well.

"Due to the testimony of DCCA and HECO, I'd like to ask my colleagues to consider that.

"Thank you."

Senators Ige, Trimble, Baker 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. 935 was adopted and S.B. No. 1003, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NET ENERGY METERING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Espero, Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 936 (S.B. No. 1100, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 936 be adopted and S.B. No. 1100, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senators Hanabusa, Taniguchi, English, Trimble and Ige requested their votes be cast "aye, with reservations," and the Chair so ordered.

Senator Slom rose to speak in opposition to the measure as follows:

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

"While I certainly understand the effort to control terrorism and the effort to control ice use, I think we get a little ridiculous at times when we're going after people that are using products like Sudafed – put them behind locked gates, have registries, follow people, give them limitations on how much they can buy. I think it's a bad policy and I can't support it."

Senator Baker rose to speak in support of the measure and said:

"Mr. President, I have remarks in support of this measure but would just note that this measure came from the community. It's in response to a community that's very concerned about the spread of this drug, and so I'd like my remarks to be inserted into the Journal."

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

"Mr. President, I rise in support of S.B. No. 1100, S.D. 2, a measure that will help foil the clandestine manufacture of crystal methamphetamine or 'ice' in our State.

"Pseudoephedrine, a key ingredient in many over the counter cold medications, is also a key ingredient in making 'ice.' This measure attempts to strike a balance between what our narcotics enforcement administration wants and concerns expressed by lobbyists for some of our retailers. The bill would require that products like Sudafed, in their tablet or granulated capsule form, be dispensed only from a pharmacy, behind a counter or other space inaccessible to the general public or from a locked display case. This would be similar to what many retailers already do for cigarettes, products like nicorette or expensive liquors. A display box of the product may be on the shelves, but with a sign noting that to purchase the product a customer must go to the customer service desk, for example, to purchase it. Retailers report that products like Sudafed literally walk out the door and some have already taken measures to make this product less accessible.

"The bill also provides that no more than 9 grams or three packages of the product may be sold within 30 days without a valid prescription. However, liquids, liquid capsules or gel caps are exempt from the provisions of this bill as pseudoephedrine products in these forms are not easily convertible into 'ice.'

"Industry lobbyists have handed out sheets of products noting many items that would be placed behind the counter rather than on floor shelves. What they fail to point out is that very few retailers, if any, carry all those products, especially small retailers that typically carry one brand line in various forms. Larger stores might carry two or three, plus a generic or store brand. Only the table or granulated filled capsule would be affected, not the other formulations. Thus, the small retailers will not be overly inconvenienced and neither will the public.

But potential 'ice' manufacturers will be. Cold sufferers will still be able to pop in to a 7-11 and get a product to relieve their symptoms when they need it.

"Mr. President, the impetus for this measure came from a community meeting I held in Kihei shortly after this Legislative Session opened. The Kihei community has recognized the problem of drug abuse in South Maui, especially 'ice' use, and are working with their community prosecutor to take steps to take back their community. They believe this measure will help. So do I. The provisions of S.B. No. 1100, S.D. 2 are prudent ways to reduce the availability of ice's main ingredient. Limiting the purchase of these cold medicines to 9 grams per purchaser and requiring the purchaser to show identification and sign a logbook with the purchaser's name, the date, and the type and amount of product are prudent ways to reduce the availability of ice's main ingredient. Similar measures have proven to be of great success in other states and a number of states are contemplating similar measures this year.

"Like most measures at this stage of the legislative process, this is not a perfect bill, but I believe it provides a mechanism to help us wage a successful war on 'ice' – a battle the Senate began in earnest last Session. These minimal inconveniences placed on consumers and retailers cannot overshadow the good that will come to our communities with the decreased manufacture and use of ice.

"I urge my colleagues to join me in supporting this bill. Mahalo."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 936 was adopted and S.B. No. 1100, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Kim, Slom). Excused, 1 (Ihara).

Stand. Com. Rep. No. 937 (S.B. No. 1228, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 937 be adopted and S.B. No. 1228, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose to speak in opposition as follows:

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

"This bill further broadens and expands the coverage under the prepaid healthcare act and the costs and expenditures to small businesses particularly."

Senator Baker rose in support of the measure and stated:

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

"Contrary to the previous speaker, this does not expand any coverage. It merely expands providers.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 937 was adopted and S.B. No. 1228, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 939 (S.B. No. 1239, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 939 be adopted and S.B. No. 1239, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Hogue rose to oppose the measure and said:

“Mr. President, I rise in opposition.

“Mr. President, this is once again one of those bills where we’re asked to referee a turf battle between the psychologists and the psychiatrists. I’ve always been hopeful as I’ve talked with Committee Chairs as well that somehow these groups could settle their differences amongst themselves. I am heartened by the fact that I received an e-mail from the psychiatrist association indicating ways that they feel that the measures that are covered in this particular bill can be handled by other means other than giving prescriptive authority to some psychologists, which they consider to be unfair and potentially dangerous.

“So I will pass along this e-mail to the Chair and I am hopeful that this measure can ultimately be defeated as it has been every time it’s been introduced since 1984.

“Thank you.”

Senator Inouye rose to speak against the measure as follows:

“Mr. President, I speak against this measure.

“I believe that psychologists should not be authorized to prescribe psychotropic medications for the treatment of medical illnesses. Since the bill passed out of Committee, I have been deluged as well with letters, e-mails, phone calls, personal visits – all in opposition to this bill. I am convinced that it is not in the interest of those in need of medical attention and that this bill could compromise their safety.

“Psychologists have not received the medical training necessary to prescribe medications. Training outlined in the bill is also inadequate. I recognized that there is a problem of limited access to medical care in rural areas of Hawaii, however, I believe there are other viable solutions.

“Thank you, Mr. President.”

Senator Baker rose to speak in support of the measure and stated:

“Mr. President, I have remarks in support of this measure I’d like to have inserted into the Journal.”

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

“Mr. President, I rise to speak in support of S.B. No. 1239, S.D. 1.

“Hawaii still derives over 90 percent of its energy from fossil fuels, the vast majority from petroleum. As gasoline prices continue to rise at the pumps, we are once again faced with questions about our State’s energy security. Our economy depends on the imported fuel that runs everything, including the vehicles that take us to and from our jobs, to the computers that sit on our desks, and the aircraft that bring in our visitors each day.

“The Legislature has always recognized this fact, and as a result Hawaii has been a leader in promoting a broad range of alternative energy sources. With S.B. No. 1239, S.D. 1, we

have an opportunity to promote another alternative energy source for Hawaii’s diesel vehicles.

“We are fortunate to have biodiesel pioneers here in Hawaii. Through the efforts and diligence of research entrepreneurs like Kihei resident Bob King of Pacific Biodiesel Inc., biodiesel is the most readily available biofuel in Hawaii. It can be made from soybean or vegetable oils, or animal fats, which means it may be made from used cooking oils and grease. While the use of biodiesel will reduce our dependence on diesel made from petroleum, it will also improve our environment. This additional benefit of using biodiesel means that waste cooking oils and grease, that would otherwise end up in our landfills, may be recovered and converted to usable automobile fuel – biodiesel. We can reduce the strain on our landfills by eliminating the need to dispose of grease and grease traps in our landfills. And who wouldn’t prefer the aroma of an environment-friendly exhaust that smelled of french fries rather than the noxious fumes of petroleum-based diesel?

“We need to examine continually all avenues to reducing our dependence on petroleum. Biodiesel gives us an option for addressing the energy requirements for an important sector of our transportation infrastructure while allowing us to reduce our oil dependence. I urge my colleagues to join me to support this important measure.

“Mahalo.”

Senators Taniguchi, Ige, Chun Oakland and Hooser requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair, Stand. Com. Rep. No. 939 failed to be adopted and S.B. No. 1239, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS,” having been read throughout, failed to pass Third Reading on the following showing of Ayes and Noes:

Ayes, 12. Noes, 12 (Espero, Hanabusa, Hee, Hemmings, Hogue, Inouye, Kim, Nishihara, Sakamoto, Slom, Trimble, Whalen). Excused, 1 (Ihara).

At 3:25 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.

Stand. Com. Rep. No. 940 (S.B. No. 1557, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 940 was adopted and S.B. No. 1557, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 941 (S.B. No. 1889, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 941 was adopted and S.B. No. 1889, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO APPRENTICESHIPS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 942 (S.B. No. 1903, S.D. 1):

Senator Menor moved that Stand. Com. Rep. No. 942 be adopted and S.B. No. 1903, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Trimble 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. 942 was adopted and S.B. No. 1903, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE SEAWATER AIR CONDITIONING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 946 (S.B. No. 1851, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 946 be adopted and S.B. No. 1851, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

“Again, it raids the rainy day fund.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 946 was adopted and S.B. No. 1851, S.D. 2, entitled: “A BILL FOR AN ACT APPROPRIATING FUNDS FOR HOMELESS AND TRANSITIONAL HOUSING PROJECTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hogue, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 949 (S.B. No. 950, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 949 was adopted and S.B. No. 950, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 951 (S.B. No. 1636, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 951 was adopted and S.B. No. 1636, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TEACHERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 952 (S.B. No. 1642, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 952 be adopted and S.B. No. 1642, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

“This bill has not one but two special funds in it. Thank you.”

Senator Trimble rose to speak in opposition as follows:

“Mr. President, I rise for a different reason.

“It’s a tax credit and it’s a \$250 tax credit. It’s only given to public school teachers and they will get the tax credit back just in time to plug into the election process.

“Thank you, Mr. President.”

Senator Sakamoto rose in support of the measure and said:

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

“Mr. President, I had remarks for the Journal but I feel I need to expound a little.

“Members, I think one of the major things, one of the most important problems facing our public education today is the recruitment and retention of teachers. Some of you have heard it before, but I’d like to let you hear it again and some of what’s in this bill.

“The Department of Education hires approximately 1,500 new teachers annually and our teacher training programs here in Hawaii produce only about 600. That presents a shortfall of roughly 900 teachers per year that need to be recruited primarily on the mainland or elsewhere – 60 percent of the new hires. Unfortunately, sticker shock of our islands in terms of cost of living, or the scarcity of affordable housing, or difficulties with Hawaii’s unique culture, or frustration with the department bureaucracy causes many of those hired to leave shortly after they’re hired. In fact, only one of five teachers recruited from the mainland is still teaching here three years later. By contrast, 80 percent of our kama’aina teachers are still on the job after their third year.

“Although these facts and figures highlight the seriousness of the shortage, there’s also grounds of optimism. There are many positive developments that people should know about. One of them is that the University of Hawaii has teacher training on every neighbor island except Niihau and Kahoolawe. There are many other initiatives that show great promise, including the teacher cadet program which mentors high school students. This has been successful in other areas of the mainland and it started here. There’s an emerging associate of arts and teaching degree at Leeward Community College for the first two-year students. West Oahu is developing a baccalaureate in early childhood education. Clearly, we must work together.

“This bill has many different parts, part of it starting again with the potential teachers in high school, teacher training in colleges and universities, supporting teachers in the initial phases of their teaching career, professional development for the in-service teachers, master teachers. This bill has a part two dealing with a teacher cadet, part three dealing with the associative of arts and teaching, part four dealing with various measures including loan forgiveness programs, asking the university to look at their entering freshmen because currently they take about 5½ years for someone who wants to become a teacher, but they’re not enrolled into teaching as freshmen. In some other schools, you can become a teacher in four years, and I think our university needs to look at how to improve that.

"Part five of the bill deals with improving a teacher induction program, creating a new teacher orientation handbook that really would help the new teachers.

"Part six looks at the licensure of employees, expanding the means of how people can become licensed, increasing the pool of highly qualified teachers, in part, licensure by experience, not necessarily just by degree. The bill includes a provision for reciprocity of a number of states, includes national board certification. We look at the PRAXIS exam and how this is used. To help the teacher standards board it converts temporary positions to permanent positions before they were tasked to keep the standards high. The bill looks at professional development, emerging trends that are cutting edge, encouraging our teachers to really be able to be better teachers.

"Yes, it includes tax incentives to help them with their out-of-pocket costs, help looking at housing, master teacher program, etc.

"The bottom line is, while this bill is not a panacea and we hope that it can survive our process where there's enough dollars to fund many of the good things, I do feel that there are substantive and systematic things in this measure that can really help and be a rallying point so we can more comprehensively address our teacher recruitment, teacher shortage program. This is an ongoing effort.

"Members, as you report back to your communities and look at this bill, I think unless we can help our teachers, this generation of students that soars to struggle through Felix, now struggling through 'No Child Left Behind' will be struggling through teachers left behind unless we can do more to help them. So we ask you to support all measures we can to support our teachers.

"Thank you very much."

Senator Hogue rose to speak in support of the measure and stated:

"Mr. President, I rise in support.

"I want to publicly acknowledge the Education Chair, who I thought did a very good job of molding together a number of ideas from different committee members. The junior Senator from Waipahu, for example, had some good ideas. The Vice Chair from the Garden Isle had some good ideas. The good Senator from Liliha has some great ideas. The good Senator from Maui had some good ideas. And how about this, there were even a few bipartisan ideas from the big fellow from the Windward side.

"So, thank you very much for advancing many of these ideas, and I'm hopeful that as this measure moves forward it does a great deal in the areas of recruitment and retention because teachers and the children that they teach are our greatest resource.

"Thank you very much, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 952 was adopted and S.B. No. 1642, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 954 (S.B. No. 1660, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 954 was adopted and S.B. No. 1660, 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, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 955 (S.B. No. 1816, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 955 be adopted and S.B. No. 1816, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak with reservations on the measure as follows:

"Mr. President, I rise with reservations.

"This is an issue we've discussed, we've discussed. Why don't we make a decision instead of postponing it and asking for further study? So that is why I'm voting with reservations."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 955 was adopted and S.B. No. 1816, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STUDENT SUBSTANCE ABUSE ASSESSMENT REFERRALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 957 (S.B. No. 1002, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 957 be adopted and S.B. No. 1002, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"I rise in opposition to the measure because I really think this is a measure about waste and how we regard the processing of that waste. What is appropriate is that we look at those who process, the public as well as the private sector, and have a uniform set of standards. In this case, we're only looking at one segment. If we're truly concerned about health and safety, we should be truly concerned about what happens on the island of Oahu and we should be even more concerned when these bills occur on land than when they occur in salt water.

"For this reason, while I support strict standards, I think it should be applied to everyone, the public sector as well as the private.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 957 was adopted and S.B. No. 1002, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRUISE SHIPS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 967 (S.B. No. 979, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 967 be adopted and S.B. No. 979, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom 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. 967 was adopted and S.B. No. 979, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COURT INTERPRETERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 970 (S.B. No. 1689, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 970 be adopted and S.B. No. 1689, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

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

"We've watched this bill develop in various phases over the last seven years, and particularly in the last couple of years we've had people come before various neighborhood boards to explain the bill. This is the public financing bill. The problem is that it depends on what day, what time, what night, what location it is because you get a different explanation. There's been information. There's been misinformation.

"One thing is clear, however, and that is that the campaign spending executive director opposes this bill. Also, his figures, in terms of what I would cost the taxpayers of this state are substantially higher than the paid advocates for this bill.

"In addition to that, the issue has always been posed as this being a clean election bill, therefore, if you don't have public funding, somehow it's not clean. They're not clean elections. Also, that if you have public funding, you will get better candidates, you will get more contestants, you will have more people running for office and a better balance of people in the Legislature. None of that can be substantiated by this particular legislation, which has to do with one thing and one thing only – and that is to shift the burden of financing to the taxpayers of this state.

"Mr. President, I have talked to many people in the last several weeks and months about this bill, and with very few exceptions, there are very few individuals that I've talked to that want to take on the responsibility, the care, feeding, and adoption of politicians. They're already busy with their rent payments, their mortgage payments, their food payments, their car payment, everything else. They don't want to subsidize politicians who want to run for office.

"The argument is made that it's because of money that we have bad laws, bad politicians, and corruption in government. I would suggest to you that it's the lack of transparency. I would suggest to you that it is bills like the one we passed earlier today, which exempts certain special interest groups from having to undergo the same rigors that other people, notably businesses, have to undergo.

"So, this bill is really a bill that makes a lot of promises but cannot deliver, because the only thing that it can deliver are higher costs for the taxpayers of this state. It is pointed out that there are two states in the Union that have worked with this very well and they've had great success with it. However, the

vast majority of states have not, and one of the states that tried this wound up changing their law because they had lawsuits trying to get the taxpayers to pay more and greater funds.

"I'm very concerned about the people that are advocating this and where their money comes from to make the advocacy. We've asked, and they don't seem to have clear information about the mainland foundations and the grants that they are accepting.

"For these and other reasons, I think that the public, particularly, is already concerned about the politicians. This bill will not give us better politicians. It will give us the same politicians, only at public expense. So I urge a 'no' vote on this bill.

"Thank you."

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

Senator Hooser rose in support of the measure and said:

"Mr. President, I rise in support of S.B. No. 1689, S.D. 2.

"Mr. President, this is not a new idea. It's not an unproven concept. The benefits are clear and many and have been proven in Arizona and in Maine. This is not a groundbreaking thing. It broke the ground in Maine, and it broke the ground in Arizona. Overwhelmingly, the people in both of those states like the changes that were made. It's very clear that those changes have resulted in more candidates, additional candidates, a broader representation of people running and getting elected to public office.

"I would suggest, Mr. President and colleagues, that the system we have now is out of control. I mentioned this in Ways and Means. We've had discussions on the earlier bill, the campaign finance reform bill, and the complexity of that bill is incredible. When you add that to the central legislation and the loopholes that are there, we have tax jumping out of nowhere, political action committees. We have rules about who can give us money, who can't give us money, what we can spend money on, what we can't spend money on. People get in trouble because they're not aware of the law, they're not familiar with the law, both donors as well as users. It's just a rip-roaring mess.

"This provides an alternative. It doesn't mandate an alternative, but it does provide a good alternative. We each get checks in the mail when we raise money, and sometimes we're not always sure who those checks are from. We get donations of \$200, \$300, \$500 from some corporation. It could be Al Capone for all we know. To do the investigation to check it out is just a real mess and this option offers us a viable alternative that can help restore the faith and confidence in the election process by the citizens in our state.

"In addition, the system we have now is an incredible burden for new candidates coming in as well as existing candidates. If a new candidate wants to run, it's impossible or very impractical for most people to run. To raise \$100,000 for a Senate race, or millions of dollars for the governor's race, or \$30,000-\$40,000 for a House race, to the man and woman on the street, it's impractical; it's impossible. There are many good people in our community, many qualified people in our community, as qualified as any of us that are here today, that would like to serve, but they're unable to serve because they don't have the connections to business, they don't have the connections to labor to raise the kind of money it takes to run a viable campaign. I'll acknowledge there are exceptions to the

rules. There are people here that manage to run successful campaigns for smaller amounts of money.

"I would also suggest that this burden is ongoing. Many of us, myself included, are running campaign fundraisers on an annual basis. I suspect there are numerous candidates, both winners and losers, who are still trying to pay for their last campaign that they ran. It's a roadblock to far too many people. It limits candidates. It limits good people, qualified people.

"This bill is good for the process. It's good for democracy. It puts people first and money second. The perception of cynicism of crooked politicians has been discussed before and I have great respect for my colleagues here in the room, and I know that's not the case. But we also have to face the reality of we have to face that cynicism out in the community. This proposal will help us get past that.

"Taxpayers already pay. They pay in many, many ways. The people that donate money to our campaigns could be donating money to little league. They could be donating money to the opera. The people pay. Again, it's been stated earlier in Arizona and in Maine that people have overwhelmingly in polls done after this has been in effect have said they liked the process. Even local polls of those people who have an opinion, and I'm surprised at the number of people that don't have an opinion, but of the people that have an opinion, they say that public funding is a good thing and public funding is something that people want.

"I encourage my colleague to vote in support. Thank you."

Senator Trimble rose to speak with reservations and said:

"Mr. President, I rise with reservations and I would like to mention a few of them.

"Yes, the public has a low opinion of this Body and the one across the way. I don't think it's because of the way that we got here. I think it is the way that we organized and the way we have a clear and open deliberation on the bills and the way we conduct our public hearings, and the way we treat the people that come and half of the confusion that exists because this year we decide to listen to 1,904 bills. I don't think it is us as individuals. I think it is the way that we're organized.

"We had two measures today. One is revamping the old law. The other one is this. If we go forward with this, I think what we'll see over time is a proliferation of one-issue candidates.

"The other thing is this discussion is valuable because the people really aren't satisfied with the current system, and we really haven't described what the true costs of corruption is. It's my sense that it is several orders of magnitude greater than what it would cost to have public funding.

"I don't think that this is the best answer. I also don't think that we should change everything at one time. If we wanted to look at it in reference to one house, make it so that it would sunset, then it would be a fair test of the system.

"So, for those reasons, I'm voting with reservations now. I want to see what comes back from the other side of the House later on in the Session.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 970 was adopted and S.B. No. 1689, 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, 21. Noes, 3 (Kim, Slom, Whalen). Excused, 1 (Ihara).

At 3:49 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:53 o'clock p.m.

Stand. Com. Rep. No. 972 (S.B. No. 290, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 972 and S.B. No. 290, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 973 (S.B. No. 1190, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 973 be adopted and S.B. No. 1190, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition as follows:

"I gather by the bill and the way it's moving from state income taxes to wages of our police department, I don't feel that giving them a tax credit equal to their wages is the appropriate way to handle this. I think this is appropriately a city and county issue, not a state issue. When we're looking at funding all of the different kinds of tax credits – \$2,000 for the residents of Manoa; \$250 for teachers – I don't think tax credits or exemption from income tax is my way to go. So I'll be voting in opposition."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 973 was adopted and S.B. No. 1190, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 974 (S.B. No. 1888, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 974 be adopted and S.B. No. 1888, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition to the measure as follows:

"Mr. President, my question here is how did we come up with the number of 10 years and why are we doing it now? So, I'll be voting in opposition.

"Thank you."

Senator Kanno rose to speak in support of the measure and stated:

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

"Ten years is based on a couple of items. One is we look at the Hawaii Labor Appeals Board. Their term is currently 10 years. If you look at circuit court judges, their term is also 10 years.

"So the measure attempts to take advantage of the expertise of the members of the board and provides some transitional continuity as we move forward.

“Thank you. I urge my colleagues to vote ‘aye.’”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 974 was adopted and S.B. No. 1888, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII LABOR RELATIONS BOARD,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 976 (S.B. No. 1114, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 976 be adopted and S.B. No. 1114, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak with reservations and said:

“Mr. President, this is a tax credit, but I rise with reservations.

“I noticed an energy tax credit, and intellectually I support decreasing our dependence on fossil fuel, but my problem is, in this bill it gives a percentage of the cost as a tax credit. I think it’s more appropriate to have the tax credit tied to a certain standard in terms of what it could do to relieve how efficient the thing that is installed is.

“So, I’m willing to change my vote from a w/r to a ‘yes’ or a ‘no’ later on if we can come up with a better way instead of just saying we’re giving you a third of the cost and having some kind of standard that would apply at the same time.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 976 was adopted and S.B. No. 1114, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO AN ENERGY STORAGE SYSTEM TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 978 (S.B. No. 790, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 978 be adopted and S.B. No. 790, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senators Hanabusa and Hooser 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. 978 was adopted and S.B. No. 790, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY CHECKS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 979 (S.B. No. 470, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 979 be adopted and S.B. No. 470, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition and stated:

“Mr. President, I support everything about the bill except the creation of this special fund, so I have to vote ‘no.’ Thank you.”

Senator Trimble rose to speak in opposition to the measure as follows:

“Mr. President, that’s not my problem. My problem is that the tax or the fee is applied or taken out of things that would include traffic fines. I don’t think there’s any nexus between traffic fines and what we’re seeking to do.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 979 was adopted and S.B. No. 470, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE COLLECTION OF DEOXYRIBONUCLEIC ACID FOR THE DNA REGISTRY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 980 (S.B. No. 696, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 980 was adopted and S.B. No. 696, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD INFORMATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 982 (S.B. No. 629, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 982 be adopted and S.B. No. 629, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak with reservations on the measure as follows:

“Mr. President, I rise with reservations.

“If this leads to an increase of viewership, I think the result is the people in this Body will tend to speak longer.

“Thank you.” (Laughter.)

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

“Mr. President, I rise to speak in favor, but in view of the previous remarks, I may reconsider, Mr. President. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 982 was adopted and S.B. No. 629, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LEGISLATIVE PROCEEDINGS ON THE INTERNET,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 983 (S.B. No. 1698, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 983 be adopted and S.B. No. 1698, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure and said:

“Mr. President, it’s a tax credit again. It’s also a tax credit that relates to services provided. I have a problem with trying to monetize services, so I’ll be casting a vote in opposition.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 983 was adopted and S.B. No. 1698, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TECHNOLOGY GROWTH,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 985 (S.B. No. 1278, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 985 was adopted and S.B. No. 1278, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO QUALIFIED IMPROVEMENT TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 987 (S.B. No. 965, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 987 be adopted and S.B. No. 965, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senators English, Hooser and Baker 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. 987 was adopted and S.B. No. 965, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ELECTRONIC SURVEILLANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 988 (S.B. No. 294, S.D. 3):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 988 was adopted and S.B. No. 294, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO EMPLOYMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 6 (Hemmings, Hogue, Ige, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 993 (S.B. No. 1808, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 993 be adopted and S.B. No. 1808, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure as follows:

“Mr. President, I rise to speak against this bill.

“The number one issue for small businesses in the State of Hawaii is workers comp reform. We had good bills introduced last year and this year. They have gone nowhere. The Legislature continues to ignore what the problem is not to deal

with workers comp fraud and to put additional burdens on employers.

“This does not help the premium picture. It does not help employers. This is not reform.”

Senators Sakamoto, Ige and Nishihara 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. 993 was adopted and S.B. No. 1808, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO WORKERS’ COMPENSATION LAW,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 2 (Hee, Ihara).

Stand. Com. Rep. No. 995 (S.B. No. 1643, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 995 be adopted and S.B. No. 1643, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

“This is about charter schools, colleagues, and I wanted to say how much our Caucus supports charter schools and I know many of you also support charter schools.

“Charter schools have gone a long, long way to develop curriculum to help young people who in many cases are in dire need or need just an alternative system, and they’ve done a fantastic job. We have a couple of charter schools in my district, and I know when I visit them I’m just amazed at the results that they personify.

“I would hope that as this measure goes forward and it is discussed in future years, however, that we think about going one step further – that is removing the cap that we currently have on charter schools, that we look for ways to help with facilities, that we help the charter schools use these alternative methods of education, and really help the youngsters who are already being enhanced. There are already just a great number of young people who are going through the charter school system, and they are doing so on all of the islands in all of our districts.

“So, as you think about this one, say it’s just the beginning. It’s just the beginning of a great movement. Charter schools are doing great work, not only here locally, but nationwide. Let’s work to expand it.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 995 was adopted and S.B. No. 1643, 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, 22. Noes, none. Excused, 3 (Hee, Ihara, Menor).

Stand. Com. Rep. No. 996 (S.B. No. 1620, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 996 be adopted and S.B. No. 1620, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition to the measure as follows:

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

“This is the granddaddy of the raid bills for 2005. There are no less than 56 separate appropriations. Of course we don’t know how much they are because they’re all blank. We do know that again we are subverting the purposes of the emergency budget and reserve rainy day fund, which as of March 4th of this year stood at a balance of \$47,392,534.14.

“We saw that one occurrence at the University of Hawaii, which truly was a rainy day event, has now exceeded in cost over \$100 million. If we keep raiding this fund, we’ll make a mockery and a joke out of having an emergency fund because we don’t have it. We’re tapping it for all kinds of purposes that should be appropriated separately.

“Thank you.”

Senator Hooser rose to speak in support of the measure and stated:

“Mr. President, I rise in support of S.B. No. 1620, S.D. 2.

“There’ve been several bills that we’ve talked about that have passed where they had funding from the rainy day fund. Several members have expressed opposition to those bills because of the source of the funds. I stand here today to say that the needs of these funds are so important it shouldn’t matter which pocket the money comes out of. We should look at the need of the people, the need of the programs, the needs of the services, and not quibble over which pocket of money it comes out of. In the end, it all comes out of the state budget. In the end, the state budget is balanced.

“There was some discussion about what exactly this money is used for. It’s used for youth. We have a thousand homeless street youth on our streets today. Children account for nearly one-half of our poverty population. Every two hours, every two hours a child is reported as being abused and neglected. That’s what this money goes to. It goes to help those kinds of folks. It goes to help seniors. Seven-and-a-half percent of our seniors or elderly are living in poverty or below poverty. Six-hundred-sixty-four victims on Oahu sought services at the sex abuse treatment center, and it’s estimated that 64 percent of rape survivors don’t even go to the police. Twenty-eight percent of those who sought counseling services were less than 10 years old. That’s where this money goes to. Why should we worry about which pot it comes out of? Let’s balance the budget and fund the programs.

“Currently estimated, there are 20,000 homeless people in Hawaii and that doesn’t include the hidden homeless. Two-thirds or 80 percent of the homeless are not in shelters. Forty percent of the population is estimated to be two paychecks away from homelessness. Honolulu has 10,000 people on a waitlist for section 8 vouchers. Kauai’s waitlist has been closed for more than a year. Twenty-five percent of the homeless have jobs. Thirty-seven percent of homeless are Hawaiian or part Hawaiian. The arrest rate for homeless people committing violent felonies is about half of those good people living in the homes.

“I would suggest that these funds are needed. These are important programs. Most of these people live in desperate and

dangerous circumstances. They need our help and support, and they need it now. They don’t need us to quibble over which pocket of money the money is going to come from.

“Some may advocate to wait – wait for someone else to take care of these folks, wait for business to step up to the plate, wait for our churches to expand their rows even further. But I say it’s up to us. It’s up to us to do it now, and I urge my colleagues to vote ‘yes’ on this very important piece of legislation.

“Thank you.”

Senator Hemmings rose to speak against the measure and said:

“Mr. President, I rise to speak against this legislation.

“Mr. President, it’s rather paradoxical that I stand and speak against this bill for the very reasons the previous speaker spoke in favor of it. We do have different pockets, and the rainy day fund is a fund that’s set aside for a rainy day. If it was all one big budget, then we should get rid of the rainy day fund and appropriate accordingly. But how sad it is, and I might add how hypocritical it is to say how important these programs are to the truly needy in our society and we fund them out of a bill that’s raiding money from a rainy day fund – not a reliable source and not the way that we would think we’d put the highest priority on our neediest to be the first thing we’d fund out of the existing budget.

“We’re going to have a budget come from the House of Representatives that’s going to spend many billions of dollars a year of our taxpayer’s money over the next several years. If this is so important, why isn’t it in that budget? Why isn’t it an expenditure out of the general fund that goes on year-in and year-out? Why are the most needy in our society held hostage as an excuse to raid the rainy day fund that could disappear with one big catastrophic incident, incidentally like a hurricane on Kauai? It just doesn’t make sense and it’s not fair to the human service programs that are funded by this bill to make them a stepchild of the legislative process every year.

“I might agree with the previous speaker that ultimately it all comes out of the same pocket, but that’s not the way this system works. The very reason we have a rainy day fund is for rainy days – unforeseen circumstances beyond our control that we need to be prudent and save money for.

“I would suggest to the previous speaker and the Majority Party that not one of these qualifies as an unforeseen circumstance beyond our control. This is help to the truly needy in our society, and to put them in the rainy day fund is an insult to all of them. We should stop playing games with them and put this in the fund out of the general fund every year and let them know from year to year that they’re part of programs that the human services and the Department of Health are going to fund regularly through the general fund process.

“I would urge you all to vote ‘no’ and when we get the budget to put all these programs in the state budget where they belong. To think that the needy in our society are being used politically for a raid on a special fund is unconscionable, and quite frankly, I’d be ashamed to vote for it.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 996 was adopted and S.B. No. 1620, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO STATE FUNDS,”

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

Ayes, 18. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 2 (Ihara, Kanno).

Stand. Com. Rep. No. 997 (S.B. No. 1729, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 997 was adopted and S.B. No. 1729, 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, 22. Noes, 1 (Trimble). Excused, 2 (Ihara, Kanno).

Stand. Com. Rep. No. 999 (S.B. No. 1236, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 999 be adopted and S.B. No. 1236, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

"We've heard a lot of talk today about it's not about money, it's about the people. It's not true. It wasn't true in the bills where that argument was made, and it's certainly not true here because here it's all about the money.

"We used to have the public health argument that smoking is bad – primary smoke, secondary smoke, smoke for keiki, smoke for this, smoke for that. Then we had the tobacco settlement, which depends on people that continue to smoke so that we can continue to get money so we can pay for various things – some related to health and a lot of others not related to health. But in the meantime, one thing has remained constant – we continue to raise taxes, and we raise taxes. Rather than saying, if we truly were concerned about people and not money, truly concerned about health and not revenues, we would say that smoking is so bad we're going to ban it, just like we're trying to ban Sudafed and all the other things that we've tried to ban today. But nope, we don't do that. We want to keep these folks alive. We want to make sure that they're cash cows for the state and keep milking them of taxes.

"I'm sorry, but I can't be a part of it, and I vote 'no.'"

Senator Baker rose to speak in support of the measure as follows:

"Mr. President, I rise in support of S.B. No. 1236, S.D. 2.

"This is not a revenue bill. It's a deterrent bill, and it's a very important measure which is designed to reduce smoking in Hawaii, especially for Hawaii's youth, by increasing the tax on cigarettes. Research indicates that increasing the cost of tobacco products is the most effective deterrent to smoking. In fact, the price of tobacco has a direct effect on tobacco use by young people. It's been shown that increasing the price of cigarettes by 10 percent could reduce the incidents of smoking by youth by as much as 7 percent. This measure will increase the cigarette tax by 40 cents a pack for three consecutive years and help us keep more young people from ever becoming addicted to tobacco products.

"Over 82 percent of Hawaii's population are nonsmokers, so the increase in the cigarette tax is not going to negatively affect

the vast majority of taxpayers living in Hawaii. In addition, decreased tobacco use will decrease healthcare costs for all of Hawaii's taxpayers. It's estimated that tobacco use alone adds over \$525 million to the cost of healthcare in our state, not to mention the 1,100 lives lost every year in Hawaii due to smoking.

"This bill specifies that the overwhelming majority of the revenue from this tax increase will go towards programs to promote healthy lifestyle choices and to prevent tobacco use. Twenty-five percent of the increase goes to the 'Healthy Hawaii' initiatives; 50 percent in the tobacco trust fund to help with smoking succession, deterrent and preventive measures; and only 25 percent gets deposited into the general fund.

"This measure is a critical piece of legislation sponsored by the Senate Health Committee to help improve your state's overall health by helping prevent young people from starting smoking and encouraging others to quit.

"I urge my colleagues to join me in supporting this healthy measure."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 999 was adopted and S.B. No. 1236, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hogue, Ige, Slom, Trimble, Whalen). Excused, 1 (Ihara).

Stand. Com. Rep. No. 1001 (S.B. No. 579, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1001 be adopted and S.B. No. 579, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senators Nishihara, Taniguchi and Hee 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. 1001 was adopted and S.B. No. 579, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUSTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hanabusa, Kokubun, Slom, Trimble). Excused, 1 (Ihara).

At 4:16 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:19 o'clock p.m.

S.B. No. 631, S.D. 1:

Senator Taniguchi moved that S.B. No. 631, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

"This is another one of those bills that would put additional restrictions and burdens on both the Governor and the Director of Budget and Finance."

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

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

“Mr. President, the purpose of this measure is to require the Governor to explain in a more public manner, the reasons for restricting or delaying the expenditure of legislative appropriations. Specifically, this measure requires the Governor to hold public hearings to explain her reasons for restricting or delaying such expenditures.

“By way of background, the need for this measure came about last year when the Governor delayed the expenditure of certain appropriations we made through Act 40, or what we referred to as the ‘ice’ bill.

“We crafted Act 40 after a tremendous amount of input from the public, government officials, and especially our service providers of the community. When we passed those appropriations, the public’s expectation was that we as a state would address the problems associated with ice through much needed prevention, treatment and other intervention programs. However, even while those appropriations were authorized to begin on July 1, 2004, many of them were not immediately released. The public and the providers were kept completely in the dark as to the reasons why these funds were not being released – as well as if they would ever be released. It took months of begging by these providers to have portions of these appropriations released and in fact to this day, some funds are still being withheld.

“These restrictions initially caused many providers to delay or cancel services that were, and still are, crucial to addressing the problems of ice. The continual lack of communication also kept these providers from making adequate plans for the future. As one provider expressed to us during our recent hearing, it wasn’t so much that they needed to know if the Governor agreed or disagreed with their program, but they just wanted to know one way or the other if she planned to release the money as the Legislature had authorized – that way they could move forward with a degree of certainty.

“I think it is a shame that many opportunities were missed to address the ever-present problems of ice. And my personal feeling is that this Governor simply continued to object to many of these appropriations as she did when she vetoed H.B. No. 2004 last year. However, I also feel that a governor must put those objections aside once a veto is overridden. As they are clearly delineated in statute, the Governor’s powers to restrict expenditures are not without limit. While a governor should always have the power to keep our government financially solvent, they cannot effectuate their own policies by choosing to spend or not spend when those policies differ from those effectuated by the passage of law – veto override or not.

“Despite what many critics have called this proposal, it is not about taking away any of the Governor’s powers. This measure does not take away the Governor’s ability to restrict expenditures. She needs those powers to keep our expenditures in line with revenues.

“What this bill is about is communication. It is about requiring what should already be practiced even without law. This measure is simply about explaining to the public why funds appropriated through the legislative process – a process that includes and involves public input – are being curtailed. If we are to have a truly transparent budget process, I believe that asking the executive branch to explain restrictions in a public forum is a step in the right direction.

“I ask all of my colleagues to support this measure. Thank you.”

The motion was put by the Chair and carried, S.B. No. 631, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE BUDGET,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Ihara).

S.B. No. 1749, S.D. 1:

Senator Taniguchi moved that S.B. No. 1749, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition as follows:

“Mr. President, again I rise in opposition to this bill and the next two bills.

“What they do is an attempt by the Legislature to erode the executive’s power. We’re not talking about communication here. If we were talking about communication, communication is a free and voluntary process. We’re talking about legislation which attempts to change the direction of what the Governor, what the budget director can and have always done before. It’s an attempt by the Legislature to require and restrict what those executive powers are.

“I’m convinced that if all these bills pass and if they are challenged, they will be found to be in violation of the separation of powers.

“Thank you.”

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

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

“Mr. President, as was in S.B. No. 631, which we discussed earlier, this is another measure that addresses concerns we have with the Governor’s restriction practices.

“However, this measure, instead of requiring the Governor to hold public hearings on restrictions, allows the Joint Legislative Budget Committee to hold such hearings. For your information, the Joint Legislative Budget Committee is already in statute.

“For the same reasons I urged passage of S.B. No. 631, I do the same for this bill. Thank you.”

The motion was put by the Chair and carried, S.B. No. 1749, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE BUDGET,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

S.B. No. 1748, S.D. 1:

Senator Taniguchi moved that S.B. No. 1748, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Taniguchi rose and said:

"I have some comments in favor that I want to insert in the Journal. Thank you."

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

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

"Mr. President, this is the third bill of three your Committee on Ways and Means passed that address concerns we have with the Governor's restriction practices.

"This measure, unlike the previous two that we discussed, S.B. No. 631 and S.B. No. 1749, takes a slightly different tact.

"While the measure addresses the issue of the executive's power to restrict like the above mentioned bills, this one tightens up statute and specifies exactly how the Governor determines a revenue shortfall that triggers expenditure restrictions. As it is written now, the statute is vague as to how a revenue projection is determined. This measure proposes that the Governor use actual revenue collections, instead of projections to determine if a shortfall exists.

"This measure also requires the Governor to give adequate notice to grant recipients on whether or not they will receive funds appropriated to them. As I explained in an earlier floor speech on S.B. No. 631, many of our providers, especially those who we specifically asked to provide much needed ice prevention or treatment services to our public, are being kept in the dark as to the status of the release of their funds.

"This requirement will, at the least, force the Governor to openly communicate to these providers the status of their funding.

"I ask my colleagues to support this measure."

The motion was put by the Chair and carried, S.B. No. 1748, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

S.B. No. 1673, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, S.B. No. 1673, 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, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ihara).

THIRD READING

MATTER DEFERRED FROM EARLIER ON THE CALENDAR

Stand. Com. Rep. No. 972 (S.B. No. 290, S.D. 2):

By unanimous consent, Stand. Com. Rep. No. 972 and S.B. No. 290, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," were recommitted to the Committee on Ways and Means.

REFERRAL OF SENATE CONCURRENT RESOLUTIONS

The President made the following committee assignments of concurrent resolutions that were offered on Friday, February 18, 2005; Tuesday, February 22, 2005; and Wednesday, February 23, 2005:

- | | |
|------------------------------|---|
| Senate Concurrent Resolution | Referred to: |
| No. 41 | Committee on Water, Land, and Agriculture |
| No. 42 | Jointly to the Committee on Tourism and the Committee on Intergovernmental Affairs, then to the Committee on Ways and Means |
| No. 43 | Jointly to the Committee on Commerce, Consumer Protection and Housing and the Committee on Transportation and Government Operations |
| No. 44 | Jointly to the Committee on Health and the Committee on Transportation and Government Operations |
| No. 45 | Committee on Education and Military Affairs |

REFERRAL OF SENATE RESOLUTIONS

The President made the following committee assignments of resolutions that were offered on Friday, February 18, 2005; Tuesday, February 22, 2005; and Wednesday, February 23, 2005:

- | | |
|-------------------|---|
| Senate Resolution | Referred to: |
| No. 20 | Committee on Water, Land, and Agriculture |
| No. 21 | Jointly to the Committee on Tourism and the Committee on Intergovernmental Affairs, then to the Committee on Ways and Means |
| No. 22 | Jointly to the Committee on Health and the Committee on Transportation and Government Operations |

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

"Mr. President, just a short point of personal privilege.

"I guess in your rapid fire, I wanted to say something about the minimum wage bill. I think, Mr. President, we need to re-look at how we can support our employees in this state. Part-time workers earn a small amount, in part, because they only work up to 20 hours. So if a part-time worker made \$7.00 an hour and worked only 1,080 hours a year, that worker would make approximately \$7,500.

"The cost of health insurance, if you just say in round numbers, \$600 times 12 months, which is a low for a family plan, is \$7,200. I think we need to re-look at the bills that we're trying to support our workers with, look at how we're making harder for employers to hire workers full-time. As we do minimum wage bills, we should integrate our thinking with health insurance, unless, and I don't believe we're going to in the near future, we change the law.

“We need to look at perhaps there can be a minimum wage for workers less than 20 hours and there can be a different kind of wage for workers who get health insurance provided through the employer, and looking at workers who make tips probably in excess of \$40 an hour in some establishments. We need to look at individual circumstances as opposed to one size fits all. We need a better solution than trying to have somebody jump from this floor to the balcony in one leap. We need to look at ways that employers and workers can work on a stairway of benefits so we can get better access to a better future for all of our employees without punishing our employers.”

Senator Hooser rose on a point of personal privilege and stated:

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

“I also had intended to speak on that particular bill, and I’ll just have real brief comments on the minimum wage bill that we were going through quite quickly.

“Just for the record, I want to remind the members that a living wage – that is the wage at the poverty line – is somewhere around \$11.00 or \$12.00 an hour. So the \$7.00 proposal that’s on the table has still a long way to go to reach a living wage that people are entitled to.

“Thank you.”

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

“Mr. President, point of personal privilege.

“I didn’t know we were going to have the debate on minimum wage now, but I want to add a couple of comments.

“First of all, the minimum wage is not a living wage. It was never intended to be. It is an entry level wage. By testimony from the Department of Labor and by CLEAR from up at the University of Hawaii, there’s less than 3 percent of the people at any one time in this state that are earning minimum wage. And the reason for that is it’s a moving wage – people enter, they start with that wage, they get proficient, they get trained at what they’re doing, and then their salaries increase.

“As was testified year, after year, after year, including this year too, the bill that forcibly raises minimum wage doesn’t raise profits, doesn’t lower costs for healthcare, or for electricity, or for rent, or for anything else. So all we do is add to the cost of these costs every year. Those people that are not getting minimum wage, that are getting more than minimum wage, they stand in line and say, ‘hey, how come the co-workers got an increase and we didn’t?’ And so it forces those wages up.

“In addition to that, the mandates that every employer in Hawaii pays, which adds between 37 and 55 percent to whatever their compensation rate is, these are mandated benefits, not additional benefits that they do voluntarily like sick pay and vacation, but mandated benefits. They go up as well because they’re based on the total amount of payroll as well as the experience such as workers compensation.

“So we continue to not only raise the cost of doing business here, but also to have the fiction that it is the employers who are supposed to provide for a transitional or for a living wage. They provide the jobs. They provide the opportunities for income. It is up to workers and employees to provide the wherewithal to better themselves and earn additional money.

“We’ve heard testimony from even the fast-food restaurants, which probably are the biggest single source of minimum wages, that they create owners and managers and people that have done very well within this community.

“And so, instead of denigrating businesses, which we do, saying that they don’t do enough and then we call on them to do more, we should really be concerned about why the State of Hawaii continually now ranks at the bottom of every major national list in terms of economic vitality, in terms of economic incentives, and why we are passed over in this state. It’s because of legislation like this.

“Thank you, Mr. President.”

Senator Trimble rose to speak on a point of personal privilege and said:

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

“Hawaii is at the top of the list that taxes people that are earning a minimum wage. So I suggest that before we talk about raising the minimum wage, why don’t we look at our standard deduction and personal exemption and raise that so that the people that are earning the minimum wage aren’t faced with the situation of paying state income tax and itemizing state income tax because the standard deduction and personal exemption are too low.

“Thank you.”

ADJOURNMENT

At 4:32 o’clock p.m., on motion by Senator Hee, seconded by Senator Hogue and carried, the Senate adjourned until 11:30 o’clock a.m., Thursday, March 10, 2005.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate

ATTACHMENT "A"

LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



MARK E. RECKTENWALD
DIRECTOR

J. P. SCHMIDT
INSURANCE COMMISSIONER

STATE OF HAWAII
INSURANCE DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
P. O. BOX 3614
HONOLULU, HAWAII 96811-3614
335 MERCHANT STREET, ROOM 213
HONOLULU, HAWAII 96813

March 2, 2005

The Honorable Ron Menor
Chair, Senate Committee on Health
Twenty-Third Legislature
State Capitol, Room 219
Honolulu, HI 96813

FAX 586-6829

Re: **S.B. No. 140, SD1 – Relating to Health Insurance**

Dear Chair Menor:

This letter is to follow-up on amendments suggested by HMSA and Kaiser to S.B. No. 140 SD1 – Relating to Health Insurance. I have had my legal staff review the proposed amendments and have concluded that the amendments proposed by HMSA and Kaiser are neither needed nor helpful.

Kaiser takes the position that the term “discretionary authority clause” requires a definition. We note that the NAIC Model Act 42 does not define the term “discretionary clause” (copy attached for your review) and that the essence of the discretionary clause is, as stated in S.B. 140, SD1, a clause which grants “broad powers” to the insurer to interpret the insurance contract. (See, e.g., *Smith v. CMTA-IAM Pension Trust*, 654 F.2d 650 (9th Cir., 1981)). Therefore, contrary to Kaiser’s position, we do not view S.B. 140, SD1 as being overly broad or ambiguous. Although S.B. No. 140, SD1 was not drafted by or introduced at the request of the Insurance Division, we support the bill in its present form, without reservation.

Kaiser noted that no states have adopted the NAIC Model Act and while that is true, S.B. 140, SD1 also does not adopt the NAIC Model Act – that fact by itself proves nothing. Kaiser contends that states have not adopted the NAIC Model Act because nothing is “broken” and, consequently, that there is no need for a bill to prohibit discretionary clauses. Allow me to note that my December 8, 2004 Memorandum prohibiting use of discretionary clauses (copy attached) was issued (as stated in its first sentence) in response to consumer complaints.

The Honorable Ron Menor
March 2, 2005
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HMSA's customers believe very strongly that something needs fixing and, in this regard, it should be noted that although only two states (Maine and Minnesota) have adopted statutes prohibiting discretionary clauses, such clauses are also prohibited by Insurance Commissioner action in California, Illinois, Indiana, Montana, Nevada, New Jersey, Texas and Utah. It is fair to conclude that something is indeed broken and that there is a need for governmental action. As an aside, you should be aware that although I have only acted with regard to health insurance, other Commissioners have prohibited discretionary clauses in other types of insurance contracts. California prohibits use of discretionary clauses in disability insurance and Utah prohibits use in accident and health, life and annuity insurance. In addition, the NAIC is presently considering broadening its Model Act to include disability insurance. Therefore, contrary to the testimony presented at hearing, it would not be amiss for the legislature to include disability insurance in S.B. No. 140, SD1.

HMSA's amendments seem to be premised upon its objection to a prohibition that "potentially removes an insurer's ability to determine which benefits should be covered." In support of this position, Kaiser notes that insurers have a fiduciary duty to act reasonably in making such interpretations. Although I appreciate HMSA's and Kaiser's advocacy in this matter, in my view, the critical point is that discretionary authority granted to or retained by an insurer takes away what would otherwise be the insured's right to have a court review coverage decisions *de novo* – without bias in favor of the insurance company. In *Firestone Tire and Rubber Co. v. Bruch*, 489 U.S. 101 (1989) the U.S. Supreme Court held that:

... the validity of a claim to benefits under an ERISA plan is likely to turn on the interpretation of terms in the plan at issue. Consistent with established principles of trust law, we hold that a denial of benefits challenged under §1132(a)(1)(B) is to be reviewed under a *de novo* standard unless the benefit plan gives the administrator or fiduciary discretionary authority to determine eligibility for benefits or to construe the terms of the plan.

489 U.S. at 115. (emphasis added)

It is my position that a provision granting to a plan administrator discretionary authority so as to deprive the insured of a *de novo* review is an unfair or deceptive act or practice in the business of insurance in violation of Hawaii's unfair and deceptive trade practice statute. As stated in my December 8, 2004 Memorandum prohibiting use of discretionary clauses, discretionary clauses in insurance contracts constitutes not only an unfair trade practice but, in addition, breach an insurer's fiduciary duty by creating a conflict of interest. This issue is also the basis for the NAIC's Model Act; the rationale underlying NAIC Model Act 42 is to "assure that health insurance benefits are contractually guaranteed, and to avoid the conflict of interest that occurs when the health carrier has unfettered authority to decide what benefits are due."

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It is not the case as argued by HMSA that S.B. 140, SD1 “removes an insurer’s ability to determine which benefits should be covered.” What S.B. 140, SD1 removes is what the U.S. Supreme Court characterized as the insurance company’s “unfettered discretion” to make such determinations – unfettered discretion that takes away from the insured the right to *de novo* judicial review of the insurance company’s decisions. By imposing “terms congenial to its own interests” the insurer denies its members the level playing field that the law would otherwise require and imposes upon the insured the uphill battle of proving that the insurer acted arbitrarily, capriciously, or in abuse of its discretion – effectively shielding the insurer from judicial reversal of its denial of meritorious claims. (See, *Rush Prudential HMO, Inc. v. Moran*, 536 U.S. 355 (2002) quoted more fully below).

The critical point is that if discretionary clauses are prohibited a court will review the insurance company’s interpretation of the contract under a *de novo* standard but if discretionary clauses are allowed the court is required to approve the insurance company’s interpretation and decision regarding plan benefits unless the interpretation and decision are arbitrary or capricious or an abuse of discretion. (*Firestone Tire and Rubber Co. v. Bruch*, 489 U.S. 101 (1989); *Pokratz v. Jones Dairy Farm*, 771 F.2d 206 (7th Cir. 1985)).

In *Firestone Tire* the Supreme Court noted, as testified by Kaiser, that a health plan benefit decision “is generally a fiduciary act.” In my view, (and in the view of the NAIC) discretionary authority clauses sanction, and may even encourage, a breach of that fiduciary duty. If an insurer is allowed discretionary authority to interpret the plan as it wishes, its manifest interest in maximizing income and increasing its reserves conflict with the interests of its plan members in obtaining coverage for medical care. A fiduciary’s main duty is to act solely in the interests of beneficiaries. 60A Am. Jur. 2d *Pensions and Retirement Funds* § 437 citing *Lang v. Long-Term Disability Plan of Sponsor Applied Remote Technology, Inc.*, 125 F.3d 794 (9th Cir. 1997). By imposing the discretionary clause upon its insureds, the insurer/fiduciary takes away from its insured/beneficiaries the right to *de novo* judicial review and imposes upon its insured/ beneficiaries a heavy evidential burden – effectively shielding the insurer from reversal of the denial of meritorious claims. In so doing an insurer/fiduciary places its own interests above the interests of its insured/ beneficiaries in breach of its fiduciary duty.

Although testimony was presented that insurance companies must exercise such discretion “reasonably” and Kaiser proposes amendments purporting to codify this standard, the testimony and amendments are disingenuous. The law is abundantly clear that discretionary clauses require that discretionary determinations are entitled to deference, and “an appellant has a high burden to surmount that deference.” *Paul’s Elec. Service, Inc. v. Befitel*, 104 Hawai’i 412, 419, 91 P.3d 494, 501 (Hawai’i 2004). Although there is a requirement of “reasonableness”, a court will **deem** a discretionary decision to be reasonable if “a reasonable person *could* have reached a similar decision, given the evidence before him, not that a reasonable person *would* have reached that decision.” *Cash v. Wal-Mart Group Health Plan*, 107 F.3d 637, 641 (8th Cir. 1997) (quoting *Cox v. Mid-America Dairymen, Inc.*, 965 F.2d 569, 572 (8th Cir.1992) emphasis in original).

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In *Pokratz*, a case involving ERISA plan benefits, the court stated:

Although it is an overstatement to say that a decision is not arbitrary or capricious whenever a court can review the reasons stated for the decision without a loud guffaw, it is not much of an overstatement. The arbitrary or capricious standard is the least demanding form of judicial review....

Pokratz v. Jones Dairy Farm, 771 F.2d at 209.

In my view a “loud guffaw” standard of review is a one-sided standard improperly imposed by an insurer/fiduciary to benefit the insurer/fiduciary to the detriment of its insured/ beneficiaries. S.B. 140, SD1 is clear (to the Insurance Division, at least) in its language and in its intent to preclude the application of the “arbitrary or capricious” standard of judicial review and require that the court’s review the insurance company’s interpretation of the contract under the *de novo* standard of review, i.e., without bias in favor of either party.

Finally, I will note that the assertions before your committee that S.B. 140, SD1 is preempted by ERISA or that such clauses have been approved by the Supreme Court and are not subject to state regulation are not only totally without legal support, they are directly contrary to the U.S. Supreme Court decision in *Rush Prudential HMO, Inc. v. Moran*. The NAIC Model Act, the state statutes and the Insurance Commissioner actions prohibiting the use of discretionary clauses are clearly laws regulating insurance within the traditional jurisdiction of the states and, as such, are not preempted by ERISA. This is obvious from even a cursory reading of *Rush Prudential HMO, Inc. v. Moran*. In that case the U.S. Supreme Court stated:

Not only is there no ERISA provision directly providing a lenient standard for judicial review of benefit denials, but there is no requirement necessarily entailing such an effect even indirectly. . . Nothing in ERISA ... requires that these kinds of decisions be so “discretionary” in the first place; whether they are is simply a matter of plan design or the drafting of an HMO contract. In this respect, then, **[Illinois’] § 4-10 prohibits designing an insurance contract so as to accord unfettered discretion to the insurer to interpret the contract's terms. As such, it does not implicate ERISA’s enforcement scheme at all,** and is no different from the types of substantive state regulation of insurance contracts we have in the past permitted to survive preemption, such as mandated-benefit statutes and statutes prohibiting the denial of claims solely on the ground of untimeliness.

Deferential review in the HMO context is not a settled given; § 4-10 operates before the stage of judicial review; the independent

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reviewer's *de novo* examination of the benefit claim mirrors the general or default rule we have ourselves recognized; and **its effect is no greater than that of mandated-benefit regulation.**

In deciding what to make of these facts and conclusions, it helps to go back to where we started and recall the ways States regulate insurance in looking out for the welfare of their citizens. ... While the statute ... undeniably eliminates whatever may have remained of a plan sponsor's option to minimize scrutiny of benefit denials, **this effect of eliminating an insurer's autonomy to guarantee terms congenial to its own interests is the stuff of garden variety insurance regulation** through the imposition of standard policy terms.

536 U.S. 355, 385-387 (Citations and footnote omitted, emphasis added).

And, as stated by the Court in *Metropolitan Life Ins. Co. v. Massachusetts*, 471 U.S. 724 (1985):

As we have indicated, **state laws regulating the substantive terms of insurance contracts were commonplace well before the mid-70's, when Congress considered ERISA.** The case law concerning the meaning of the phrase "business of insurance" in the McCarran-Ferguson Act, 15 U.S.C. § 1011 *et seq.*, also 2391 strongly supports the conclusion that **regulation regarding the substantive terms of insurance contracts falls squarely within the saving clause as laws "which regulate insurance."**

471 U.S. 724, 742-743 (Footnote omitted, emphasis added).

I look forward to the opportunity to meet with you personally on this matter. In the event that you wish to discuss this legislation, please do not hesitate to contact me at (808) 586-2790.

Sincerely,



J. P. Schmidt
Insurance Commissioner

CC: Honorable Rosalyn Baker, via fax - 586-6071
Chrisopher Pablo, via fax - 432-4632
Jennifer Diesman

042 - PROHIBITION ON THE USE OF DISCRETIONARY CLAUSES MODEL ACT**TABLE OF CONTENTS**

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Section 1. Short Title

This Act shall be known and may be cited as the Discretionary Clause Prohibition Act.

Section 2. Purpose and Intent

The purpose of this Act is to assure that health insurance benefits are contractually guaranteed, and to avoid the conflict of interest that occurs when the health carrier responsible for providing benefits has unfettered authority to decide what benefits are due. Nothing in this Act shall be construed as imposing any requirement or duty on any person other than a health carrier.

Section 3. Definitions

- A. "Commissioner" means the Commissioner of Insurance.
- B. "Health care services" means services for the diagnosis, prevention, treatment, cure or relief of a health condition, illness, injury or disease.
- C. "Health carrier" means an entity subject to the insurance laws and regulations of this state, or subject to the jurisdiction of the commissioner, that contracts or offers to contract to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services, including a sickness and accident insurance company, a health maintenance organization, a nonprofit hospital and health service cooperation, or any other entity providing a plan of health insurance, health benefits or health services.
- D. "Person" means an individual, a corporation, a partnership, an association, a joint venture, a joint stock company, a trust, an unincorporated organization, any similar entity or combination of the foregoing.

Section 4. Discretionary Clauses Prohibited

No policy, contract, certificate or agreement offered or issued in this state by a health carrier to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services may contain a provision purporting to reserve discretion to the health carrier to interpret the terms of the contract, or to provide standards of interpretation or review that are inconsistent with the laws of this state.

Section 5. Penalties

A violation of this Act shall [insert appropriate administrative penalty from state law].

Section 6. Separability

If any provision of this Act, or the application of the provision to any person or circumstance, shall be held invalid, the remainder of the Act, and the application of the provision to persons or circumstances other than those to which it is held invalid, shall not be affected.

Section 7. Effective Date

This Act shall be effective [insert date].

LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



MARK E. RECKTENWALD
DIRECTOR

J. P. SCHMIDT
INSURANCE COMMISSIONER

STATE OF HAWAII
INSURANCE DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
P. O. BOX 3614
HONOLULU, HAWAII 96811-3614
335 MERCHANT STREET, 2ND FLOOR
HONOLULU, HAWAII 96813

December 8, 2004

MEMORANDUM 2004-13H

TO: HMSA, Mutual Benefit Societies, Health Maintenance Organizations, and Insurers Offering Health Insurance

FROM: J. P. Schmidt
Insurance Commissioner

RE: Discretionary Clauses in HMSA's Agreement for Group Health Plan and Guide to Benefits

HMSA has sent renewal contracts to employers ("Agreement for Group Health Plan") and the Insurance Commissioner has received a number of complaints regarding various provisions questioned by employers as to legality. Of particular concern is clause 15 of the Agreement for Group Health Plan entitled "HMSA Discretionary Authority" that provides:

The Group hereby designates HMSA to be a fiduciary under the Plan solely for the purposes of (a) determining all questions of eligibility of Plan members; (b) determining the amount and type of benefits payable to any Plan members in accord with the Plan; and (c) interpreting the Plan provisions including those necessary to determine benefits. HMSA shall have complete and full discretionary authority in connection with these determinations and interpretations, and its decisions on these matters shall bind the Plan.

This grant of discretionary authority is mirrored in HMSA's Guide to Benefits as follows:

Interpreting this Guide

Agreement The Agreement between us and you is made up of all of the following:

- This *Guide to Benefits*.
- Any riders and/or amendments.
- The application form submitted to us.

- The agreement between us and your employer or group sponsor.

Our Rights to Interpret this Document

We will interpret the provisions of the Agreement and will determine all questions that arise under it. We have the administrative discretion:

- to determine whether you meet our written eligibility requirements;
- to determine the amount and type of benefits payable to you or your dependents in accord with the terms of this Agreement; and
- to interpret the provisions of this Agreement as is necessary to determine benefits, including determinations of medical necessity.

Our interpretations and determinations are final, binding, and conclusive to the extent permitted by law. If you disagree with our interpretation or determination, you may appeal.

Discretionary clauses similar to the clauses used by HMSA that give insurance plan administrators what the U.S. Supreme Court has called “unfettered discretion” to interpret plan benefits (*Rush Prudential HMO, Inc. v. Moran*, 536 U.S. 355 (2002)) are prohibited by statute in Maine and Minnesota and by Insurance Commissioners in California, Illinois, Indiana, Montana, Nevada, New Jersey, Oregon, Texas and Utah.

In 2002, the National Association of Insurance Commissioners adopted Model Act 42 titled “Prohibition on the Use of Discretionary Clauses Model Act” which recommends that each member state initiate legislation prohibiting discretionary clauses in health insurance contracts in order to “assure that health insurance benefits are contractually guaranteed, and to avoid the conflict of interest that occurs when the health carrier has unfettered authority to decide what benefits are due.”

On July 29, 2002, the Utah Insurance Commissioner issued a bulletin stating:

Discretionary clauses purport to give an insurer full and final discretion in interpreting benefits in an insurance contract. In the department's view, under Utah Code Annotated (U.C.A.) §31A-21-201(3), those clauses and provisions in accident and health, life, and annuity insurance contracts are inequitable, misleading, deceptive, obscure, unfair, not in the public interest, and otherwise contrary to law, and they encourage misrepresentation and violate a statute.

Hawaii Revised Statutes §431:13-102 prohibits unfair methods of competition or unfair or deceptive acts or practices in the business of insurance.

A “discretionary clause” granting to a plan administrator discretionary authority so as to deprive the insured of a *de novo* appeal is an unfair or deceptive act or practice in the business of insurance and may not be used in health insurance contracts or plans in Hawaii.

This decision is based upon the rationale underlying NAIC Model Act 42 – to “assure that health insurance benefits are contractually guaranteed, and to avoid the conflict of interest that occurs when the health carrier has unfettered authority to decide what benefits are due.” It is also based upon the position taken by the Utah Insurance Commissioner that such clauses are “inequitable, misleading, deceptive, obscure, unfair, not in the public interest, and otherwise contrary to law, and they encourage misrepresentation and violate a statute.”

In reaching this decision it is noted that insurance companies’ rights to contract are subject to regulation because insurance companies are held to a broader legal responsibility than are parties to purely private contracts and the public interest in assuring integrity of insurers’ relations with their insureds and in averting even the potential for conflict of interest situations must take precedence over the parties’ private contractual arrangements (See, e.g., *Pennsylvania General Insurance Co. v. Austin Powder Co.*, 68 N.Y.2d 465, 502 N.E.2d 982, 510 N.Y.S.2d 67 (1986)). In Hawai’i “... insurers have the same rights as individuals to limit their liability... and to impose whatever conditions they please on their obligations, provided they are not in contravention of statutory inhibitions or public policy.” *First Ins. Co. of Hawai’i, Inc. v. State*, 66 Hawai’i 413, 423, 665 P.2d 648, 655 (Hawai’i, 1983) (quoting 6B Appleman, *Insurance Law and Practice* § 4255, at 40 (1979)). The covenant of good faith and fair dealing that exists in every insurance contract requires that neither party will do anything to injure the right of the other to receive the benefits of the agreement, and an insurer is obligated to give the interests of the insured at least as much consideration as it gives to its own interests. *Larraburu Bros., Inc. v. Royal Indem. Co.*, 604 F.2d 1208 (9th Cir. 1979).

HMSA, as a nonprofit mutual benefit society, should be held to at least as high a standard as a for-profit insurance company. Beyond that, however, it must be noted that HMSA is not merely a for-profit insurance company required to treat its insureds’ interests on an equal basis with its own interests. HMSA has fiduciary responsibility as a mutual benefit society and has explicitly and implicitly assumed fiduciary responsibility as an administrator of a health plan. As a fiduciary its main duty is to act solely in the interests of beneficiaries. 60A Am. Jur. 2d *Pensions and Retirement Funds* § 437 citing *Lang v. Long-Term Disability Plan of Sponsor Applied Remote Technology, Inc.*, 125 F.3d 794 (9th Cir. 1997).

Discretionary authority clauses in health plans sanction, and may even encourage, a breach of fiduciary duty. If HMSA is allowed discretionary authority to interpret the Plan as it wishes, HMSA’s manifest interest in maximizing its income and increasing its reserves conflicts with the interests of its members in obtaining coverage for medical care.

The critical point is that discretionary authority granted to or retained by an insurer takes away what would otherwise be the insured’s right to have a court review coverage decisions without bias in favor of the insurance company. In *Firestone Tire and Rubber Co. v. Bruch*, 489 U.S. 101 (1989) the U.S. Supreme Court noted that “the validity of a claim to benefits under an ERISA plan is likely to turn on the interpretation of terms in the plan at issue. Consistent with

established principles of trust law, we hold that a denial of benefits challenged under §1132(a)(1)(B) is to be reviewed under a *de novo* standard unless the benefit plan gives the administrator or fiduciary discretionary authority to determine eligibility for benefits or to construe the terms of the plan.” (489 U.S. at 115).

The legal impact of HMSA’s discretionary clause is to require that a court approve HMSA’s interpretation unless it can be held to be arbitrary and capricious. The arbitrary and capricious standard holds that a plan administrator’s decision shall not be overturned, absent special circumstances such as fraud or bad faith, if “it is possible to offer a reasoned explanation, based on the evidence, for a particular outcome.” *Exbom v. Central States, Southeast and Southwest Areas Health and Welfare Fund*, 900 F.2d 1138, 1142 (7th Cir. 1990) citing *Pokratz v. Jones Dairy Farm*, 771 F.2d 206, 209 (7th Cir. 1985). In *Pokratz*, a case involving ERISA plan benefits, the court stated:

The “arbitrary or capricious” standard calls for less searching inquiry than the “substantial evidence” standard that applies to Social Security disability cases. Although it is an overstatement to say that a decision is not arbitrary or capricious whenever a court can review the reasons stated for the decision without a loud guffaw, it is not much of an overstatement. The arbitrary or capricious standard is the least demanding form of judicial review....

Pokratz v. Jones Dairy Farm, 771 F.2d at 209.

By imposing the discretionary clause upon its members, HMSA takes away the members’ right to *de novo* judicial review and imposes upon its members a heavy evidential burden – effectively shielding HMSA from reversal of the denial of meritorious claims. In so doing HMSA places its own interests above the interests of its members in breach of its fiduciary duty.

This decision is not affected by whether a plan is an ERISA plan. The U.S. Supreme Court in *Rush Prudential HMO, Inc. v. Moran*, 536 U.S. 355 (2002) stated:

Not only is there no ERISA provision directly providing a lenient standard for judicial review of benefit denials, but there is no requirement necessarily entailing such an effect even indirectly. . . . Nothing in ERISA, however, requires that these kinds of decisions be so “discretionary” in the first place; whether they are is simply a matter of plan design or the drafting of an HMO contract. In this respect, then, [Illinois’] § 4-10 prohibits designing an insurance contract so as to accord unfettered discretion to the insurer to interpret the contract’s terms. As such, it does not implicate ERISA’s enforcement scheme at all, and is no different from the types of substantive state regulation of insurance contracts we have in the past permitted to survive preemption, such

as mandated-benefit statutes and statutes prohibiting the denial of claims solely on the ground of untimeliness.

Rush Prudential HMO, Inc. v. Moran, 536 U.S. at 385-86 (citations and footnote omitted).

Additionally, it is noteworthy that for ERISA plans the Federal Regulations (29 CFR § 2560.503-1) require, among other things, an internal review procedure that does “not afford deference to the initial adverse benefit determination” – i.e., a *de novo* review. Although the regulation relates only to internal review procedures, there is no reason that the standard for internal review should differ from the standard for judicial review.

In summary, contractual provisions giving HMSA, or any health insurer, discretionary authority to interpret the plan so as to deprive the insured of a *de novo* appeal constitute unfair or deceptive acts or practices in the business of insurance in violation of HRS §431:13-102 for the following reasons:

1. Such contractual provisions are a violation of the insurer’s obligation to act in good faith and deal fairly because a conflict of interest occurs when an insurer has discretionary authority to interpret the insurance contract in regards to what benefits it will pay.
2. Such contractual provisions are a breach of an insurer’s fiduciary duty to act solely in the interests of its insureds who are plan participants and beneficiaries.
3. Such contractual provisions may mislead the members to believe that they have no recourse to contest an insurer’s plan interpretations when, in fact, the insurer’s authority regarding determinations of coverage are not complete, full, final, binding, or conclusive. For ERISA plans *de novo* internal review is required and plan beneficiaries have the right to appeal to court. And, for plans not covered by ERISA, insureds have the additional right to external review pursuant to the Hawai’i’s Patients’ Bill of Rights and Responsibilities Act, HRS Chapter 432E. However, a member mislead to believe that HMSA has “complete”, “full”, “final, binding, and conclusive” discretionary authority to interpret the Plan may well forgo the right to appeal HMSA’s decisions to an impartial reviewer.

The following language is approved for use by health insurers:

The Group hereby designates [INSURER] to be a fiduciary under the Plan solely for the purposes of (a) determining all questions of eligibility of Plan members; (b) determining the amount and type of benefits payable to any Plan members in accord with the Plan; and (c) interpreting the Plan provisions including those necessary to determine benefits. [INSURER’S] determinations and interpretations, and its decisions on these matters are subject to *de novo* review by an impartial reviewer as provided in the Plan or as allowed by law.