

FIFTY-NINTH DAY

Tuesday, May 3, 2005

The Senate of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2005, convened at 10:16 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Robert Bright, Metropolitan Community Church, after which the Roll was called showing all Senators present.

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

At this time, Senator Hanabusa rose on a point of personal privilege and said:

"Mr. President, the Senate of the State of Hawaii takes great pleasure in recognizing special individuals who exemplify such qualities as commitment, achievement, leadership, dedication, and hard work. These special individuals lead productive lives to improve the quality of life in our communities and our state.

"Mr. President, as you know, I had to read that because of whom I'm about to acknowledge in this introduction, because if I didn't read it, I probably couldn't say it with a straight face.

"The individual that we're trying to refer to with that flowery and complementary language is none other than Senator Brian Taniguchi. Mr. President, Senator Taniguchi has now served 25 years – 25 years in this Legislative Body between the House and the Senate. It was very interesting to learn a little bit about him because I kind of knew something about him, but I had forgotten this . . . forgotten things like he was actually a radical in his younger days; he assisted many communities in need – remember the infamous Ota Camp in Waipahu, Waimanu Village and the old Vineyard Street just off of Miller Street. He was in the midst of all of that.

"Then he went to law school about 1975. He was in the class right after me. After doing that, for some reason, Brian Taniguchi or then Brian Taniguchi got interested in politics. He and his wife Jan moved back to Manoa in about 1978. Brian Taniguchi is actually one of those who started his political career with the infamous, notorious neighborhood board system. Can you imagine that? The neighborhood board system – we've got them to thank for Brian Taniguchi.

"In 1980, Brian Taniguchi signed papers to run for the State House, and at that time he was representing McCully, Manoa, and the Moiliili district. In 1994, Brian Taniguchi ran for the Senate and he has been in the Senate ever since and he of course has been our Chair of the Ways and Means Committee for the past five years. He also served as Majority Leader in the House. When I first met Brian Taniguchi, he was Chair of Consumer Protection.

"Mr. President, Brian Taniguchi's staff is up there, and of course all of you saw them file in, and with them is his wife, Jan. Jan, will you please rise. (Mrs. Taniguchi, who was seated in the gallery, rose to be recognized.)

"Mr. President, I have come to know Jan, and I must admit that I now understand how Brian Taniguchi manages to stay sane and well grounded – it is Jan, and she constantly puts him in his place. Brian has strict instructions – if he takes even a sip of alcohol, he is not to drive. Jan will come and pick him up no matter where he is, but of course he has to pay later on for taking that sip of alcohol. But he follows instructions really

well when they come from Jan. From the rest of us, he just ignores us, but Jan can get him to do whatever she needs for him to do. I don't believe his two children are here, but he also has two wonderful children, who, thanks to Jan, managed to survive being political children for most of their lives, if not all of their lives. I think that Jan deserves all the credit, definitely not Brian, but Jan deserves all the credit, and they are absolutely wonderful children.

"Mr. President, I've been trying to think about what is it that we can say about Brian, because I have all these wonderful things to say about Jan, but I don't know what to say about Brian. I do want to say that I think he's worked so hard, Mr. President. When I looked at his earlier pictures, he's given the State most of his hair, so we should thank him for that. (Laughter.) He tries to get in shape once in a while. He does it by saying he's walking, but quite honestly, Mr. President, I'm not quite sure that has had any impact. He's taken back in poundage what he's lost in hair. I'm really trying desperately to think about what else we can say about him. He works very late in the evening. I don't know how much of that is because he's listening to this strange music. Who would have thought Brian Taniguchi is kind of a hard rocker of the 60's and 70's. He really likes the Doors and people like that – the Doors, yes, the Doors. You remember the Doors? That's Brian Taniguchi, Mr. President.

"Mr. President, I would like to thank you and the rest of the members of the Senate that on this very important day you've afforded me the opportunity to acknowledge Brian Taniguchi on his 25th anniversary in this Legislature. Everyone, you have this little thing in front of you and what I'd like for all of us to do is to follow the instructions – which is to lift, put to face, and face Brian. (Laughter.) Since he's still sitting up, it must be a young picture, otherwise it would have floored him.

"Mr. President, at the appropriate moment, we have signed a certificate, all of us, and we do have a lei. Of course to his wonderful Ways and Means staff, we'd all like to thank you for all of your hard work. Thank you very much."

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

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

"I would just like to thank the Senator from Waianae for those very kind remarks. I don't know if it's kind in quotations, but I just want to say that I enjoy working with all of you – members, staff, lobbyists, students.

"I guess one thing that comes to mind when you look back on 25 years – when I first decided to run, I think one of my campaign people told me that I was pretty dull. (Laughter.) I haven't improved on that, Mr. President. (More laughter.) And so I went to see a lady who is now serving in the Senate with me and she was, at that time, running a modeling agency. So I had this meeting and we met and she tried to give me pointers and she tried to jazz me up, but obviously, Mr. President, she failed. (Laughter.) It was Senator Kim. So when I think back on 25 years, that's one of the things I remember – that she gave up and she just said, don't come back. (Laughter.)

"I'd also like to acknowledge my wife and my staff and people who've been . . . I know there are people up there who have worked for me in the past – two or three of them I think, the rest of them said no way. I'd like to acknowledge my wife who's kind of kept me straight and . . . anyway, before I start

sobbing or anything, I would just like to thank everyone. Thank you, Mr. President.”

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

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

“Mr. President, I think it’s only appropriate that some comments are added to the record here from the other side of the political aisle, and I will tell you it’s been a pleasure for us to serve in the Ways and Means Committee under the leadership of Senator Taniguchi.

“Senator, we most appreciate two things about you – one is your wry, incisive, quick and provocative wit. It’s one of the real hidden attributes of yours that you have a way of making one or two words turn into very hilarious remarks, oftentimes in the heat of battle in the Senate Ways and Means Committee.

“On a serious note, we do appreciate your patients. I can honestly say that in my six years in the Senate and on the Ways and Means Committee you have always afforded us the opportunity to have open, free, unabated debate on the issues. You have never cut us off unilaterally and closed debate on issues, oftentimes exercising great restraint and patients, because I know you are quite thoroughly disgusted with what is being said. (Laughter.)

“But we do appreciate that and sincerely we wish you all the best and thank you for your service to the State for the last 25 years. Thank you, Mr. President.”

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

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

Senator Hogue rose on a point of order as follows:

“Mr. President, point of order, please. Mr. President, I have three questions for you, if you don’t mind.

“We had a healthy debate on Friday night regarding one of our Governor’s messages and I see here Gov. Msg. No. 855, informing the Senate that on April 29th the Governor has withdrawn Dylan Nonaka. That was April 29th. That was the day of the debate. So, when was the Senate in receipt of the Governor’s message? And if the Senate was in receipt of the Governor’s message prior to the vote, is the vote on the nominee valid?”

President Bunda responded:

“I believe so. Can we get back to you on the receipt or do you want to know that now?”

Senator Hogue replied:

“Mr. President, why don’t we just call a short recess. Thank you.”

At 10:38 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:41 o’clock a.m.

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

“Mr. President, I have a point of personal privilege.

“I was informed this morning by the Governor’s senior policy advisor that they were in possession of the letter signed by the Governor before the Session started last Friday afternoon on this nomination. So, it’s obvious that the Minority members were aware of the withdrawal before the debate and the Session started.

“Thank you.”

Senator Hogue responded as follows:

“Mr. President, I guess I’m responding to that.

“Actually, that’s not true. We became aware of it during the debate. So, the question is, when is the Senate in receipt of the Governor’s message? Now, it’s our understanding that the Governor’s message was received during the debate and the vote went forward. So the questions I would like rulings on is when is the Senate in receipt of a Governor’s message? What is the official ruling on that? And is this vote on this particular nominee valid?”

President Bunda answered:

“We will get back to you, Senator Hogue, on an official ruling by Wednesday or Thursday.”

Senator Hogue then said:

“Thank you very much, Mr. President. I appreciate that.”

Senator Hee rose on a point of inquiry and stated:

“Mr. President, point of inquiry.

“I just want to make it clear in a question to you. Was the Gov. Msg. No. 855 on the order of the day on Friday when we acted upon the nominee? Informing the Senate that the Governor has withdrawn Dylan W.J. Nonaka, was that message on the order of the day on Friday?”

President Bunda responded:

“No, it was not.”

Senator Hee then said:

“Thank you.”

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 855 to 857) were read by the Clerk and were placed on file:

Gov. Msg. No. 855, advising the Senate of the withdrawal of the nomination of DYLAN W.J. NONAKA to the Board of Regents of the University of Hawaii, under Gov. Msg. No. 826, dated April 20, 2005.

Gov. Msg. No. 856, informing the Senate that on May 2, 2005, she signed into law Senate Bill No. 608 as Act 39, entitled: “RELATING TO DUTY OF PHYSICIAN, SURGEON, HOSPITAL, CLINIC, ETC., TO REPORT WOUNDS.”

Gov. Msg. No. 857, dated April 25, 2005, transmitting the Annual Report on the Hawaii Historic Preservation Special Fund for Fiscal Year 2003-2004, prepared by the Department of Land and Natural Resources pursuant to Section 6E-3, HRS.

STANDING COMMITTEE REPORTS

Senator Baker, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1921) recommending that the Senate advise and consent to the nominations to the Statewide Health Coordinating Council of the following:

ANDY P. ANCHETA MPH, in accordance with Gov. Msg. No. 709;

SUSAN K. FORBES DRPH, in accordance with Gov. Msg. No. 710;

CREIGHTON LIU, in accordance with Gov. Msg. No. 711;

SARAJEAN TOKUNAGA, in accordance with Gov. Msg. No. 712; and

PATRICIA UYEHARA-WONG, in accordance with Gov. Msg. No. 713.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1921 and Gov. Msg. Nos. 709, 710, 711, 712 and 713 was deferred until Thursday, May 5, 2005.

Senator Baker, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1922) recommending that the Senate advise and consent to the nominations to the Health Planning Council, Hawaii County Subarea of the following:

LORI CANNON-SALIS RN, CCRN, CRFN, MSN, in accordance with Gov. Msg. No. 715; and

KARLSON PUNG, in accordance with Gov. Msg. No. 716.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1922 and Gov. Msg. Nos. 715 and 716 was deferred until Thursday, May 5, 2005.

Senator Kanno, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 1923) recommending that the Senate advise and consent to the nomination of ERNEST BALATINCZ STS CHST to the Hoisting Machine Operators Advisory Board, in accordance with Gov. Msg. No. 721.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1923 and Gov. Msg. No. 721 was deferred until Thursday, May 5, 2005.

Senator Kanno, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 1924) recommending that the Senate advise and consent to the nominations to the Hawaii Workforce Development Council of the following:

JAMES C. TOLLEFSON, in accordance with Gov. Msg. No. 791; and

GLENN H. YAMASAKI KIMURA, in accordance with Gov. Msg. No. 792.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1924 and Gov. Msg. Nos. 791 and 792 was deferred until Thursday, May 5, 2005.

Senator Kanno, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 1925) recommending that the Senate advise and consent to the nomination of EMORY J. SPRINGER to the Hawaii Labor Relations Board, in accordance with Gov. Msg. No. 626.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1925 and Gov. Msg. No. 626 was deferred until Thursday, May 5, 2005.

Senator Hanabusa, for the Committee on Judiciary and Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 1926) recommending that the Senate consent to the nomination of JENNIFER L. CHING to the office of Judge, District (Family) Court of the First Circuit, for a term of six years, in accordance with the provisions of Article VI, Section 3, of the Hawaii State Constitution, and in accordance with Jud. Com. No. 2.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1926 and Jud. Com. No. 2 was deferred until Thursday, May 5, 2005.

ORDER OF THE DAY**FINAL READING**

Conf. Com. Rep. No. 100 (H.B. No. 100, H.D. 1, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 100 be adopted and H.B. No. 100, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator English.

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

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

“Mr. President, H.B. No. 100, C.D. 1, is the executive biennium budget bill. It contains the operating and capital improvement appropriations for the executive branch for the fiscal biennium 2005-2007.

“Before I make a few comments on the bill itself, I again would like to thank those who were instrumental in crafting this measure.

“First, I would like to thank the Conference Leaders of the House, Chairman Dwight Takamine and Vice-Chair Bertha Kawakami, who spent countless hours with me and my Vice Chair, Senator Tsutsui, agonizing over the hundreds of crucial decisions that needed to be made.

“I would also like to thank the staffs of both the House Finance Committee and our own Ways and Means Committee. Their research and analysis made our jobs a lot easier.

“I would also like to thank the members of the Ways and Means Committee for sitting through hours of hearings, briefings and conference meetings throughout this Session.

“Finally, I’d like to thank and acknowledge again the support of my wife.

“As I mentioned in my remarks on the Senate’s draft, the appropriations found in this bill provide more critically needed resources to our public schools, more to the university system, more to our public and private hospital network, and more to help battle our ice epidemic.

“With regard to capital improvements, we found a way to fund the new courthouse in Kapolei while also finding a way to ‘fix our schools,’ ultimately authorizing over \$280 million for Department of Education construction projects, including \$100 million for repairs and maintenance.

"This budget, in conjunction with our six-year general fund financial plan, demonstrates that this Legislature has prioritized the use of our precious resources and has saw fit to provide in those areas that are most important to our state's well being now and in the future.

"Mr. President, we have a balanced budget, and I ask that my colleagues support this measure. Thank you."

Senator Hemmings rose in support of the measure as follows:

"Mr. President, I, too, rise to speak in favor of H.B. No. 100, the state budget omnibus spending bill.

"Mr. President, I, too, rise to speak in favor for the simple reason that it is a necessity. The budget does, for the most part, address the most basic needs of the State of Hawaii and therefore is relevant and should be voted in the affirmative, but it is important to note some things that weren't done in the budget.

"The opening day this last Session had a rosy outlook for the state economy with you, Mr. President, and myself and others standing up and saying there are many things that could be done with the improved economic condition of the private sector that has resulted in more money in the way of tax collections being put into the state coffers.

"This budget does prioritize for the Majority Party state spending, because first and foremost, most of the money, if not all of it and then some, was assumed by collective bargaining pay raises for public employees. Public employees deserve a fair and balanced pay raise. No one doubts that. But it's not fair and balanced when many other programs were cut.

"Even yourself, Mr. President, and the Majority Party on opening day talked about helping the average working family. I think you called them in. They are not going to get a tax break. In fact, their taxes are going to go up extensively with subsequent legislation we'll be acting on today.

"We talked about, in the Minority Party, tax cuts for the working poor. The very people that the Majority Party says they represent – the poor, the sick, the hungry – they're not going to get any tax relief. In fact, their taxes are going to go up if we pass subsequent legislation. The authorization of a one-half percent excise tax for the county to implement if they so deem necessary will hurt the poor, the hungry, the sick, and the working families of Hawaii.

"We talked about finally getting human service programs that serve the suffering and the needy in our society out of the old bills and putting them into the operating budget so that those agencies and those private sector charitable institutions that serve the needy in our society could have reliable year-to-year operating funding. It's not going to happen. Human service programs are going to continue to be held hostage in a raid bill for funds that are drying up – the rainy day funds, excuse the play on words.

"We talked about better protecting our environment. Probably the greatest blessing we have in the State of Hawaii is our environment. I had the pleasure of serving under two hardworking, intelligent Chairmen of both the Environment and the Water, Land, and Agriculture Committees. Unfortunately, in Conference Committee what we had to do time and time again, and I won't read into the record the particulars, is say no to bills that would have helped our environment because we didn't have enough money.

"Yes, this budget does set priorities. It does keep in place the absolutely necessary rudiments of government operation, but it did prioritize spending. The great irony of all of this is that yes, public employees are going to get pay raises at the expense of tax cuts for the poor and the working families, at the expense of human service, and at the expense of the environment, but they themselves are not living outside our economy. They themselves, the labors of this state that are in state employment, have to pay the high bills that all the consumers of Hawaii pay for.

"I would suggest in the future that when we do put together a State Budget, that we do prioritize how we spend our money to benefit everyone in the State of Hawaii, not just one special interest group that seems to hold sway over this Legislature.

"Thank you, Mr. President."

Senator Hogue rose to speak in support of the measure with reservations as follows:

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

"Essentially, colleagues, our budget is driven by an engine which we could control, and that engine is the binding arbitration process. Basically, this budget has been driven by the inevitable consequences of some in this Chamber passing binding arbitration for public worker unions just a few years ago. Even though we've got a booming economy, and I would agree that all of us would attest to that, we have the lowest unemployment rate in the nation and we have record tax revenues, we can't pass tax relief. Many of the people in this state are going without so that we can help a favored few, and that is wrong.

"Right now, our budget process is driven by the employees. We've become an employee centric government. No business can be run in a proper manner if it is employee centric. I would agree that we need to take care of our employees, we need to pay them fair wages, we need to treat them properly, and I think that we do. But we cannot have a budget that is driven by this particular process. So, until we repeal binding arbitration, we're going to run into this year in and year out.

"So, right now our schools don't have enough text books. Many of our schools cannot have their repair and maintenance backlog eliminated. Many projects will not go forward and it's all being driven by this one factor – binding arbitration.

"So, for those reasons, I will support the final numbers. I realize the Ways and Means people worked very hard, however, I will note my reservations until we repeal binding arbitration. Thank you."

Senator Tsutsui rose to speak in support of the measure and stated:

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

"Mr. President, before I begin, I'd like to commend the Chairman of the Ways and Means Committee for his wisdom and leadership in crafting this very fine measure. I would also like to thank the House Finance Chairman and Vice Chairman, as well as their staff, who worked with us in collaboration to build this measure. And last, but not least, I'd like to thank the members of the Ways and Means Committee and the Ways and Means staff for the many long hours which we put in providing for this very fine bill.

“Mr. President, H.B. No. 100 provides a balanced budget, which is very responsive to the many different needs and requirements of our many small communities throughout our state. It recognizes the importance of the pressing needs for education, the ice epidemic, and ensuring a sustainable future for our children. It continues to support educational system reforms enacted by this Legislature last year in Act 51. It continues efforts to stem the ice epidemic by providing the resources necessary established in Act 40. It also provides funding for homeless programs and the general assistance population. It ensures that valuable green space will be preserved and protected for future generations.

“Mr. President, this measure also supports the needs of our University of Hawaii system. It assists the counties by providing monies to maintain the road systems, and it honors the sacrifices being made by our men and women of the Hawaii National Guard.

“Mr. President, this measure does this, as well as a lot more. And for those reasons, I encourage all of my colleagues to support H.B. No. 100.

“Thank you, Mr. President.”

Senator Sakamoto rose in support of the measure and said:

“Mr. President, I rise in support of this measure and echo the comments for the Ways and Means and Finance Chairs and for all who participated in this document, which is basically all of us including both sides of the aisle.

“I think this document in itself underlies many, many measures that we passed and we’re going to hear about on this Floor today in many areas. Mr. President, rather than rise up on 40 measures – and some of our colleagues in here will rise up to elaborate on some of those – I’d like to take a few minutes to talk about hope and a future, as opposed to doom and gloom, and the hope and the future in many of these measures.

“In the housing arena, S.B. No. 179 is the housing omnibus bill. S.B. No. 117 will enable HDCH to update some of their past contracts so we can be more efficient. H.B. No. 931 helps to deal with sustainable affordable housing. H.B. No. 19 deals with the university system and student housing. Those measures together certainly will help us move forward in housing and there will be a legislative effort to continue that so we can continue that effort.

“In transportation, those who lament about a half percent tax, I lament about when it was a 90/10 federal match, the bride ran away from the bridal party and we lost out. When it was 80/20, the bridesmaids and the groomsmen had cold feet and ran away from the bridal party when it was 80/20 match. Now we’re not even sure if we get a 50/50 match, but all of us ask our communities, even if you live in Hawaii Kai or points east or points west, do we need transit solutions? We need solutions. We need to do the heavy lifting and take the criticism of others, but I’m glad we’re going to do something. Graduated driver’s license, H.B. No. 150, let’s make our roads safer.

“In the health arena, we have continued efforts in H.B. No. 1304 with a task force. And some people say, why do task forces? That’s because we need all parties to get together and not just some parties, not just the fifth floor party, but we need the stakeholders . . .”

Senator Hemmings interjected:

“Point of order, Mr. President.

“I believe we’re discussing the state budget and the present speaker is addressing numerous issues on the agenda that we’ll have an opportunity to speak to in the future.”

President Bunda then said:

“Senator Sakamoto, could you keep your comments to H.B. No. 100, please.”

Senator Sakamoto continued:

“My belief is that H.B. No. 100 undergirds each of these measures and I heard conversation about many of these measures just a few minutes ago. I don’t believe that we should necessarily ignore all of these other measures, because as everyone notes, this budget, H.B. No. 100, and all of these measures are tied together. Most of these have a Ways and Means referral. They could have been in the budget. They could be in a bill. But I’ll go quickly, but I’m not going to stop here.

“Whether it’s things related to equal pay, it relates to the budget. Things related to small business set asides relates to the budget. Things related to unemployment compensation or unemployment benefits, whether it deals with social security and pension, deals with the budget. Things with minimum wage deal with the budget. The Reed Act funds for workforce development deals with the budget and employment – all group things. Some things could have been better, but they’re all there.

“Drugs, yes, as mentioned by the previous speaker, this bill includes treatment money. Also, we passed here in this Body, DNA testing, sex offender, forfeiture of vehicles, Pseudoephedrine.

“Procurement – we need to continue to look at that. At least we’re dealing with some things where the state government maybe had a heavy hand with architects/engineers.

“Education – a whole flurry of issues. I’ll speak to that later.

“Sustainability – I think our Senator on the right will speak to things or several of them. Invasive species, plans for the future, legacy lands, cruise ships, rural lands, ag lands, and all of these, to me, do tie to the budget, do tie to a hope and a future.

“Energy/environment – renewable energy, net energy, alternative fuels . . . campaign spending.

“But I’ll get back to a point that the speaker across the way talked about – balanced and fair pay raises – seemingly saying. Another speaker talked about employee centric. I believe we need to be people centric, not profit centric. And I believe what has driven a lot of this conversation on why pay raises were what they were, not bargained by us on this Floor but bargained by somebody else on the fifth floor, was 9/11 – not September 11, but the 9/11 that’s coming forward at the UHPA pay raises. Any knowledgeable person would know if you said 9 percent, 11 percent out there in future raises for any unit, any other bargaining unit, is not blind to that. So that, in my opinion, has driven where we are today. And it’s not about arbitration in itself. It’s about who said what target, and how we’re going to get there.

“So Mr. President, thank you for allowing me to continue to speak. I urge us all to look at the big picture because we have hope and a future.”

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

“Mr. President, I rise in opposition to this budget.

“I was going to support the budget with reservations until I heard the last speaker who has convinced me that if we can’t even keep on track and keep talking about the one bill that we’re supposed to be talking about instead of all the other bills on the agenda, that there is something suspect about this budget.

“I also regard with great respect the wonderful and stoic words of the Judiciary Chair who has always told me before that ‘w/r’ stands for ‘wimpy Republican.’ So, I’m going to go full down ‘no’ on the bill.

“And to the good Senator from Moanalua, I’ve never been a bridesmaid and I’ve never run away from anything in my life, even illusory federal grants that were promised by a member of our congressional delegation that every time he has something to say here, he says something different, but let’s stick to the budget.

“As the Minority Leader said, it’s difficult when you’re put in a position when you’ve worked long hours, you’ve been to all the meetings, you’ve heard all the discussions and the testimony, you’ve read all the items – 1,104 pages of line items that we did night, after night, after night – to vote against the whole thing because some things are not good, some things are actually bad. But I think what it comes down to is this – how I have to look people in the eye, not only short term but long term. And I’m also a person who has hope in the future. It’s the present that’s a little difficult right now.

“This budget is driven solely by public employee costs. Whether they were arbitrated, whether they were negotiated, the point of fact is, as I’ve said before, that’s basically what we’re here for – just to give salary increases to other people. And in so doing, we have to tell other organizations and other individuals no, we don’t have the money to do that. The money is not in the budget.

“So, looking at the budget as a whole, first of all it’s called the executive budget but it doesn’t bear that much identity to the budget that was originally submitted by the executive. It is bigger. It is plumper. It is different in terms of where monies come from, where monies go. And as the Minority Leader had stated, a number of programs will not be funded by this budget or by any other auxiliary legislation because, as we told people during Conferences, we just don’t have the money. Well, we do have the money. The money has gone to the salary increases whether, again, negotiated or arbitrated.

“I happen to agree with the Minority Floor Leader that the arbitration process, if anything, is going to be doom and gloom. It’s going to spell our fiscal doom in the future if we don’t change it.

“I’ve spoken before about how most members of this Body in the Majority Party did a 180 degree turn on that issue when we changed from a Democrat Governor to a Republican Governor. The issue didn’t change, the individuals changed, with again the exception of the Judiciary Chair.

“When we look at this budget specifically, item by item, line by line, we find that programs that will suffer will be in the Attorney General’s Office, the Department of Public Safety, various health bills, various Department of Education bills. We note, also, that while there’s talk about a balanced budget, this really is not a balanced budget and we don’t have a six-year

plan for a balanced budget in the future that has not come from Finance or Ways and Means.

“We also have some bizarre points in this budget. Section 126 states that for the first time, proceeds from any sales or dispositions of public lands will reimburse the general fund for the Department of Education’s expenditures. What’s the nexus? What’s the relationship? To our knowledge, there has never been a proviso like that before.

“There are also several provisos that aim at eliminating executive positions in various executive departments. And there’s an interesting provision in the budget that now assesses a \$10,000 fine for departments for each business day that a report is late. I’ve been one that’s called on departments in the past to make sure that in fact they do get their reports in on time, but this is kind of unusual – a \$10,000 fine per day – where will the money come from? It will come out of the general fund and then these departments will come before us the next year asking for an emergency appropriation – emergency being the most popular word in the budget. We always have emergencies. They’ll ask for the money right back, so we’ll take it from the general fund and give it back to the general fund.

“I think the main problem is that this budget really started from a point of what we had to do for a certain class of people, as the Minority Floor Leader specified, and then we work from there telling other people ‘no.’

“And so, while I would like to support the budget and while I’ve supported it up to this point, I’m going to cast a ‘no’ vote because when people ask me the rest of this year, next year, and the following year, what did we really do for them, all I can say is we raised your taxes, we raised your cost of living, we didn’t give you any tax relief, and unless you’re in the chosen class, you got no benefit, you didn’t get any raises or anything else. It will be a much more rational position.

“Thank you, Mr. President.”

Senator Kanno rose to speak in support of the measure as follows:

“Mr. President, I rise to speak in support.

“Mr. President, I want to start off by commending the efforts of the Ways and Means Chair and staff on doing a credible job on the budget. I’d like to address the comments on binding arbitration.

“The Governor has spoken out against the binding arbitration award, claiming that the arbitrator made many mistakes in formulating the award, including inappropriately considering the wages paid to employees outside of the state. She has also intimated that the award is indicative of a trend of binding arbitration that results in totally depleting state revenue increases in order to pay for collective bargaining salary increases.

“The Governor’s criticism of the arbitrator’s deliberations is misplaced. The Hawaii Revised Statutes specifically provides that a factor proper for the arbitrator’s consideration is the comparison of wages, hours, and conditions of employment of the employees involved in arbitration . . .”

Senator Whalen interjected:

“Excuse me. Point of order, Mr. President.

"I hate to beat this dead dog, but I believe the issue is the budget and the comments made by some of the Minority members were that the budget was driven by a binding arbitration. There wasn't a huge discussion about what the Governor said.

"In this particular speech that's being delivered, it's quoting from the Governor and debating the Governor, who, as far as I know, is not a State Senator. So, if he could stick to the budget, I would leave that . . ."

The Chair interjected:

"Senator Kanno will get to the point. Senator Kanno, will you please proceed."

Senator Kanno continued:

"The wages, hours and conditions of employment of other persons performing similar services in other state and county . . ."

Senator Whalen rose again on a point of order and stated:

"Mr. President, point of order.

"Was that a ruling that he is in order?"

President Bunda replied:

"He is in order, and I will allow him to continue and formulate his speech and he will get around to the point of the budget."

Senator Whalen then said:

"Thank you, Mr. President."

Senator Kanno continued as follows:

"Additionally, that same statute also authorizes the arbitrator to consider any other factors that are commonly utilized in determining wages, hours and conditions of employment in collective bargaining, mediation, or arbitration in public employment. Therefore, if the examination of wages of other employees performing services similar to the HGEA employees outside of Hawaii was warranted, the arbitrator could have properly considered this.

"The Governor has not similarly attacked comparable pay increases that have also recently been authorized by the Governor for other bargaining units, including a 9.5 percent pay increase over the next two years for teachers, an arbitration award of a 2 percent increase every six months over a period of two years for firefighters, and an arbitration award of 16 percent over a period of four years for police officers.

"The pay increases provided in this measure for HGEA employees is completely in line with those provided for these units. Additionally, the Governor orchestrated the unprecedented agreement with the University of Hawaii Professional Assembly, which provided for a 31 percent increase over a six-year period. Within the UHPA agreement, year four yields a 5 percent increase of which the state is responsible for 4 percent. Year five yields a 9 percent increase of which the state is responsible for 6 percent. And year six yields an 11 percent increase of which the state is responsible for 8 percent. Although the university will bear a portion of the cost in years four through six, the state is responsible for the majority of the increase and they are greater than the HGEA raises.

"Mr. President, these numbers demonstrate that the HGEA raises are not in any manner extraordinary. Indeed it is the Governor herself who set the bar in the 4 to 5 percent range for salary increases through negotiations and the approval of arbitrated agreements with other bargaining units.

"Finally, and most importantly, the HGEA employees deserve the pay increases. They provide valuable services essential to the continued provision of effective and efficient government operations, and we must always endeavor to properly compensate these dedicated public servants in recognition of their hard work and commitment. Mr. President, this measure represents a fair award for adequately compensating our valued state employees.

"My comments here are to address the comments made earlier about binding arbitration. I urge my colleagues to support the budget. Thank you."

Senator Hooser rose to speak in support of the measure and stated:

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

"I'd like to preface my remarks, Mr. President, by offering my appreciation and thanks to the Ways and Means Chair, the staff, and the Vice Chair for all the hard work and good work they did and recognize the challenge of putting such a budget together.

"Mr. President, I'll just say briefly that when the people in my community ask me what's in the budget for them, what did I do for them, what good things for the State of Hawaii are in this budget, I have quite a bit to say. But I won't say it all right now in the interest of time, but I'll tell my constituents, Mr. President, that in this budget there's a homeless shelter on Kauai. There's \$1.5 million worth of affordable for the people in Hana on Maui. There's another million dollars in the budget for affordable housing in my district.

"There's money in this budget, Mr. President, hard-earned, well-deserved money to pay our teachers more and give them the raises they deserve to allow us to hire and retain additional teachers, which is so important to our public education system. There's millions of dollars, hundreds of millions of dollars in this budget that will go toward repairing and maintaining our schools in the fashion that they deserve to be.

"There's money in this budget, Mr. President, \$3 million to repair and maintain existing public housing. There's money in the budget for homeless services on the Leeward Coast. There's money in the budget – it goes on and on – for water projects, much needed projects statewide.

"There are far too many good things in this budget to go on, Mr. President, but I'll, just for the record, say that I, for one, have no problems supporting this budget and supporting the many, many good measures that are contained within.

"So, I encourage my colleagues to vote in support."

Senator Chun Oakland rose to support the measure as follows:

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

"I also would like to thank the Ways and Means Committee, the staff, and the House for putting together what I think is very supportive of the human services area. We in great part have approved what the Department of Human Services had

requested, and I'd like to just go over very briefly what is contained in this budget with regards to this.

"In the area of vocational rehabilitation we have about \$18 million that help people become rehabilitated. Either through no fault of their own, something happens, they get injured and can get services to get into a new career. We have in the child welfare services area, which is to protect children, about \$50 million. We have in the area of early childhood education, childcare services, \$67 million. In the area where we want to support our young people through youth services, we have about \$20 million. In the area of elders, where we want to support those that are aged, blind, and disabled, we have about \$16 million. And in the area of the people that are in public assistance, we have about \$118 million dedicated to them. In the area of homeless services, which I think is growing continuously, we have \$8.5 million included just in homeless. And there are many other budget areas that fall within the purview of the Consumer Protection and Housing Committee, millions of dollars, with regards to supporting affordable housing.

"So I really appreciate everyone that has worked on this and support this measure. Thank you."

Senator Hee rose in support of the measure and stated:

"Mr. President, I rise in support of this budget.

"Just briefly, I want to thank the Committee on Ways and Means and its staff, as well as our counterpart in the House, for providing the university with approximately \$1.3 billion in operating money for responding to the flooding that occurred prior to this Session; for providing \$100 million to rebuild dormitories at the University of Hawaii and at the University of Hawaii at Hilo; for providing \$20 million for a new science and technology center at the University of Hawaii at Hilo; for providing \$2 million for the Hawaiian studies building for planning and design; and providing \$18 million for a new campus to be called the Hawaii Community College Campus. These are but a few things that the Committee on Ways and Means saw fit to respond to the needs of higher education, the only public institution of higher education in the state.

"In addition to this, the Committee on Ways and Means and the House Finance Committee provided money for each community college at all 10 campuses statewide, as well as West Oahu Campus.

"I'm indebted to the Committee on Ways and Means and look forward to voting 'yes.' Thank you, Mr. President."

Senator Baker rose to speak in support of the measure and said:

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

"Like my colleague, the Chair of the Committee on Human Services, I, too, want to thank the Ways and Means Committee for their consideration. For many years we've tried to get funding for the uninsured embedded into the base budget so hopefully the administration will ask for those funds on an ongoing basis. This year we were successful thanks in large measure to the support we received from our Committee on Ways and Means and the Committee on Finance.

"Additionally, the community hospitals, the Hawaii Healthcare System is included in a fair fashion in this budget. In addition, we've included the money for the very important task of trying to treat and deter folks from substance abuse. Treatment and prevention funds are in the base budget, and

hopefully the administration will include it in their future budgets. There are important matters like emergency medical services that are also taken care of by this budget. The most fragile and vulnerable populations helped by the Department of Health's budget, those children with mental illnesses and adults with mental illness, are all taken care of by this budget.

"Certainly there are other things that I would have liked to have seen included. As the Health Chair, you always wish for more resources than might be possible. But I think this budget makes not only a good faith effort to take care of the public health concerns in our state, but does so in a fair and compassionate manner.

"I appreciate working with budget analyst Serene Chew. She is a wealth of information. She made my job a lot easier, and she found those important items in the budget and advocated for their retention. So, I know that the quality of the staff that Ways and Means has is admirable and I hope she'll be able to return to continue to work in this particular subject matter area.

"I want to commend all of my colleagues in this Body and our sister Body across the way who worked very diligently on this budget, and I urge my colleagues to support it."

Senator English rose in support of the measure as follows:

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

"I, too, would like to add my thanks and appreciation to the Ways and Means Committee and to our counterpart in the House for considering and keeping in their consideration the neighbor islands. I have four islands in my district, Mr. President – Lana'i, Moloka'i, Kaho'olawe, and East and Upcountry Maui. Oftentimes, because of the population base in these areas, it's very easy to say that we should move something to Central Oahu or something to Downtown Oahu or somewhere else because of the population. But this budget is really very fair to these islands.

"I want to point out some of the things that are in here for Moloka'i and Lana'i and for Hana. It was already mentioned that we have a \$1.5 million appropriation for affordable housing in Hana where I'm from, and this is very important because we have a very, very acute housing shortage in East Maui. This won't take care of the whole thing, but we have land donated, we have others that are coming to the plate, and through a team effort, this appropriation will be the fuel that's needed to get affordable housing moving in East Maui. For that, I am most grateful.

"For \$1.6 million to the Moloka'i General Hospital for its second phase of improvements – it's the only hospital on the island; it provides all the care for the people on Moloka'i – they are most grateful for this. For Lana'i, for the improvements to Manele Harbor with the huge federal match, this will help us with ferry service inter-island. This is not the 'Super Ferry.' This is 'The Ferry' for the people between Moloka'i, Lana'i and Maui, and it's very important for local traffic. For Upcountry – for helping Hui Noeau with their land purchase. It's a major, major piece of support, and the people there are very grateful.

"So, I just wanted to express this to the members of the Committee, to the Chair and the Vice Chair, and to all of you for supporting these small neighbor islands. They're very important to us. It's very dear to me and very important to the people living there. For that, thank you."

Senator Kokubun rose to speak in support and said:

"Mr. President, I also stand in support of this measure.

"Mr. President, I think this year we had some very, very significant movement in terms of our land use policies for the state. This could not have been accomplished without the agreement by both the Ways and Means Committee and the Finance Committee to provide the necessary funding for these measures to move forward. And for that, I'm very grateful to all the hard work that went in by the Ways and Means Committee and the Finance Committee with respect to this measure.

"Mr. President, we are moving forward on an important agricultural lands bill for the first time since this mandate was instituted by the Constitutional Convention in 1978. I think indeed this is very significant, and it could not have moved forward without the commitment by the money Committees to include those measures in the budget. We also are addressing rural lands, a designation that I think is very important for future land use planning for the State of Hawaii.

"Also, with respect to conservation lands, we have in our CIP budget the purchase or at least the cost sharing on some purchases for very significant lands here in the State of Hawaii, and I think it sets a very positive direction for us.

"The budget also provided funding have money for our sustainable planning effort, which I think is critical and essential for looking forward and providing the preferred future for Hawaii and our future generations.

"Mr. President, there is funding in the budget that is totally supported by the agriculture community for ag research and development. Again, without this kind of support from our Ways and Means Committee and the House Finance Committee, we would not be able to move forward on these very, very important measures. And for that, I'm very grateful.

"I ask all of you to please support this measure. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 100 was adopted and H.B. No. 100, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

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

The Senate reconvened at 11:46 o'clock a.m.

At this time, the President made the following announcement:

"Members, the Governor's Office was in receipt of the budget at 11:32 a.m."

FINAL READING

Conf. Com. Rep. No. 23 (S.B. No. 1772, S.D. 1, H.D. 2, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 23 be adopted and S.B. No. 1772, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Tsutsui.

Senator Hogue then offered the following amendment (Floor Amendment No. 7) to S.B. No. 1772, S.D. 1, H.D. 2, C.D. 1:

SECTION 1. Senate Bill No. 1772, Senate Draft 1, House Draft 2, Conference Draft 1, is amended by deleting its contents and replacing it with new language, to read as follows:

"SECTION 1. Section 387-2, Hawaii Revised Statutes, is amended to read as follows:

"**§387-2 Minimum wages.** Except as provided in section 387-9 and this section, every employer shall pay to each employee employed by the employer wages at the rate of not less than:

- (1) \$5.25 per hour beginning January 1, 1993;
- (2) \$5.75 per hour beginning January 1, 2002; and
- (3) \$6.25 per hour beginning January 1, 2003.

The hourly wage of a tipped employee may be deemed to be increased on account of tips if the employee is paid not less than 25 cents below the applicable minimum wage by the employee's employer and the combined amount the employee receives from the employee's employer and in tips is at least 50 cents more than the applicable minimum wage.

Effective January 1, 2006, the hourly wage of a tipped employee may be deemed to be increased on account of tips if the employee is paid not less than 25 cents below the applicable minimum wage by the employee's employer plus an amount equal to any increase in the minimum wage as of January 1, 2006, and the combined amount the employee receives from the employee's employer and in tips is at least 50 cents more than the applicable minimum wage.

SECTION 2. New statutory material is underscored.

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

Senator Hogue moved that Floor Amendment No. 7 be adopted, seconded by Senator Trimble.

Senator Hogue rose in support of the amendment and said:

"Mr. President, this floor amendment will offer a tip credit to those employers who have employees who might be affected with a bill that we will have later on. There is a lot of discussion about increasing the minimum wage. I'm going to be voting against that minimum wage increase.

"However, I think it should be noted that approximately 2/3 of those who receive the minimum wage in this state are restaurant workers, and I think if we're going to even think about raising the minimum wage, we should think about comparably raising the tip credit otherwise many of these restaurant workers are going to be put out of work. Many of them are going to end up being laid off and I just think it's unconscionable that this measure has not been able to move forward and I think this gives us an opportunity to move this forward.

"So, a tip credit is in order. It is noted in this bill. It is noted that if the minimum wage would go up, the tip credit would go up comparably, and so I urge all of the members here to support this amendment.

"Thank you."

Senator English rose on a point of inquiry as follows:

"Mr. President, point of inquiry.

"May I ask the maker of the motion, what was the original content of the bill that they are gutting and replacing this with?"

The President posed the question and Senator Hogue responded:

"Mr. President, this is the Related to Employers bill and we have added language to that particular bill. We have added

language to a bill that frankly we did not agree with the related to employers bill.”

Senator English rose again on a point of inquiry and said:

“Mr. President, again, point of inquiry.

“The floor amendment says ‘by deleting its contents and replacing with new language.’ The question was, what was the language that was deleted? Because they deleted it in its entirety and replaced it with this.”

Senator Hogue rose in response and stated:

“Mr. President, if you refer to S.B. No. 1772, you can see a bill related to employers. I could read the original bill if you want to. It goes on in Section 1 talking about finding that many employees at large companies are paid low wages and qualify for government programs. It was the so-called ‘Wal-Mart bill’ that we had a great debate about in the past and I’m not sure that it was necessary for this state anyway. So that particular measure would be tossed by the wayside. It would be replaced by something that we could live with, which is a tip credit.

“It’s obvious that workers here in the state need a tip credit, especially restaurant workers. I don’t think we need to be putting provisions in the bill that have to do with Wal-Mart. There were some sort of problems down in Georgia or something like that. So that part has been taken out and the tip credit has been put in.

“Thank you.”

Senator Kim rose and inquired as follows:

“Mr. President, question to the floor amendment maker – is there a reason why the tip credit wasn’t amended in the minimum wage bill, which is more appropriate than killing a bill, gutting everything that went through conference and went through both Houses, to gut it at this late a date and not amend the minimum wage bill?”

Senator Hogue responded:

“Mr. President, that’s actually a legitimate question and the reason we did it in this one is because we do not agree to a minimum wage increase, and so we are not going to be voting for a bill that we don’t agree with.

“The language in here says, if the minimum wage is increased, there can be a tip credit. That will allow us the opportunity to vote against the minimum wage increase and vote for a tip credit, which I believe many of the members here in this Chamber will agree with.

“Thank you.”

Senator Baker rose to speak in opposition to the amendment and said:

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

“It’s clear from the remarks of the Minority Floor Leader that the intent of this floor amendment is rather disingenuous. They really have no interest in whether tipped workers get a credit because they were going to vote against the minimum wage.

“This Senate passed over to the House an increase in the minimum wage that included a tip credit. I support that. I have lots of restaurant workers in my district and would love nothing

more than to see an increase in the tip credit go forward. But you know, the workings in our Body is a product of compromise, and the House wouldn’t go along, so we don’t have that before us. We’ll keep working on it, I suspect, but I think to gut and replace a bill that addressed a very critical human service need, and I’m sure that the Chair of Human Services will speak to that, is simply not an appropriate vehicle, particularly when the motive behind it is most disingenuous.

“Thank you.”

Senator Kim rose on a point of inquiry as follows:

“Mr. President, another point of inquiry. I would like to ask the Clerk if the House entertained any of these floor amendments and what is the status of that?”

At 11:52 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:53 o’clock a.m.

President Bunda then stated:

“Senator Kim, we have no formal official notice from the House regarding this particular measure.”

Senator Hooser rose to oppose the amendment and said:

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

“First, I’d like to say I find it . . . I don’t want to use the word disingenuous again. It gets used far too much on this Floor, but to put forward an amendment on a bill you intend to kill or vote against later on, I find troubling.

“I’ll speak against the amendment on the substance of the amendment, Mr. President. I’d like the record to show that many states do not allow tip credits. There are seven states – the State of Alaska has a higher minimum wage than Hawaii and they do not allow tip credits; California also has a higher minimum wage than we do and they do not allow tip credits; Oregon, Washington both have higher minimum wages than the State of Hawaii and do not allow tip credits; and several other states do not allow tip credits. The record should reflect that restaurateurs from Alaska, Oregon and Washington are not fleeing the boarders for states like Arkansas, Kentucky or Missouri that do allow the tip credits of up to 50 percent.

“For those reasons and others, I’ll be voting against the amendment.”

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

“Mr. President, I rise in support of this amendment. I wish to address my comments specifically to those comments of the previous speaker.

“I believe if you’ll check the record, the States of Alaska, Oregon, and Washington also have a much higher rate of unemployment than Hawaii. And the reason why this floor amendment is being offered is so that we don’t go down the same path as those three states you have mentioned. We wish to increase employment among the restaurant workers and that is the purpose behind this floor amendment.

“Thank you, Mr. President.”

Senator Chun Oakland rose to oppose the amendment and said:

"Mr. President, I also rise in opposition to this floor amendment.

"S.B. No. 1772, the original contents of which are being proposed to be deleted would have required that each applicant that is receiving medical assistance identify who their employer is and also required that the Department of Human Services provide an annual report to the Legislature of employers who employ 25 or more beneficiaries of medical assistance.

"We do want to be able to ascertain whether there are employers here in the state that may be actually paying minimum wage or even less than that which causes families to go on public assistance and to be able to monitor that. Thank you."

Senator Ihara rose in opposition to the amendment and stated:

"Mr. President, I rise in opposition to this floor amendment.

"Mr. President, I am in favor of a tip credit. I am not willing to support a tip credit at the expense of the underlying bill. I would have been open to a tip credit in conjunction with the minimum wage bill, but not under these circumstances.

"Thank you."

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

"Mr. President, I rise in opposition.

"Mr. President, like the previous speaker, I, too, support the tip credit. Had it been put in the correct bill, I would be voting in favor of it.

"I really don't care what the other states are doing. The fact of the matter is, as the Tourism Chair, many restaurants in Waikiki have called me and have spoken to me about this tip credit and that it's going to affect them. It's going to affect not just what they're going to pay out in wages, but it's going to affect unemployment benefits and it's going to affect all the other taxes that they have to pay. They may have to release some of their employees – that's the fact of the matter. The way the economy is, they may not be able to keep these employees who will get a 25 cents raise, a 50 cents raise. They will lose their jobs entirely.

"So, I had hoped that they had put the amendment in the correct bill. Unfortunately, the way it is, I cannot support it. Thank you."

Senator Slom rose in support of the amendment and said:

"Mr. President, I rise in support of the amendment.

"Everybody talks from the other side about how they support tip credits. But the fact of the matter is that they have a controlling 5 to 1 majority in this and the other House across the way and they have not supported over the last couple of years any change in the tip credit. They have not listened to the restaurateurs who have come down here. So, the issue really is whether or not we really believe in supporting a tip credit, an increase in the tip credit, which by the way is tied to the increase in the minimum wage as the amendment so clearly states.

"I hear a lot of crocodile tears and I'm not as concerned about Alaska or Oregon or anywhere else as I am about the

restaurateurs, some of whom are up in our gallery right now. They get very frustrated because they come down here and they hear this doubletalk that they are being supported and yet the votes are never there and the changes are never made.

"This is an opportunity to do it. I urge my colleagues to support the amendment. Thank you."

Senator Hogue rose and said:

"Mr. President, I request a Roll Call vote.

"If this matter does go down and if in fact the Majority is – what's the opposite of disingenuous? – genuine in their belief that there should be a tip credit, I suggest that they offer up an according floor amendment during today's Session. So, Roll Call vote is suggested. Thank you."

The motion to adopt Floor Amendment No. 7 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following Ayes and Noes:

Ayes, 5. Noes, 20 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Ihara, Inouye, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui).

The motion to adopt Conf. Com. Rep. No. 23 and pass S.B. No. 1772, S.D. 1, H.D. 2, C.D. 1, on Final Reading was then put by the Chair and carried, Conf. Com. Rep. No. 23 was adopted and S.B. No. 1772, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 148 (H.B. No. 1462, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 148 be adopted and H.B. No. 1462, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Baker.

Senator Hemmings then offered the following amendment (Floor Amendment No. 8) to H.B. No. 1462, S.D. 1, C.D. 1:

SECTION 1. House Bill No. 1462, Senate Draft 1, Conference Draft 1, is amended by adding a new part to be designated as "Part III", and to renumber subsequent sections, to read as follows:

"PART III.

SECTION 9. Section 383-61, Hawaii Revised Statutes, is amended to read as follows:

"§383-61 Payment of contributions; wages not included.

(a) Contributions with respect to wages for employment shall accrue and become payable by each employer for each calendar year in which the employer is subject to this chapter. The contributions shall become due and be paid by each employer to the director of labor and industrial relations for the fund in accordance with ~~such~~ the rules as the department of labor and industrial relations may prescribe, and shall not be deducted, in whole or in part, from the wages of individuals in the employer's employ.

(b) Except as provided in subsections (c) ~~and~~ (d), and (e), the term "wages" does not include remuneration paid with respect to employment to an individual by an employer during any calendar year which exceeds the average annual wage, rounded to the nearest hundred dollars, for the four calendar quarter period ending on June 30 of the preceding year.

The average annual wage shall be computed as follows: on or before November 30 of each year the total remuneration paid by employers, as reported on contribution reports on or before [such] that date, with respect to all employment during the four consecutive calendar quarters ending on June 30 of [such] that year shall be divided by the average monthly number of individuals performing services in such employment during the same four calendar quarters as reported on [such] the contribution reports and rounded to the nearest hundred dollars.

(c) For calendar years 2005, 2006, and 2007 only, the term "wages" as used in this part does not include remuneration in excess of \$7,000 paid with respect to employment to an individual by an employer. This subsection shall apply only to the contribution rate paid into the unemployment insurance trust fund.

(e) (d) For the calendar year 1991 only, the term "wages" does not include remuneration in excess of \$7,000 paid with respect to employment to an individual by an employer.

(f) (e) For calendar year 1988 only, the term "wages" as used in this part does not include remuneration paid with respect to employment to an individual by an employer during the calendar year [which] that exceeds:

- (1) One hundred per cent of the average annual wage if the most recently computed ratio of the current reserve fund to the adequate reserve fund prior to that calendar year is equal to or less than .80; or
- (2) Seventy-five per cent of the average annual wage if the most recently computed ratio of the current reserve fund to the adequate reserve fund prior to that calendar year is greater than .80 but less than 1.2; or
- (3) Fifty per cent of the average annual wage if the most recently computed ratio of the current reserve fund to the adequate reserve fund prior to that calendar year is equal to or more than 1.2;

provided that "wages" with respect to which contributions are paid are not less than that part of the remuneration which is subject to tax in accordance with section 3306(b) of the Internal Revenue Code of 1986, as amended.

(e) (f) If an employer during any calendar year acquires substantially all the property used in a trade or business, or in a separate unit of a trade or business, of another employer, and after the acquisition employs an individual who prior to the acquisition was employed by the predecessor, then for the purpose of determining whether remuneration in excess of the average annual wages has been paid to the individual for employment, remuneration paid to the individual by the predecessor during the calendar year shall be considered as having been paid by the successor employer. For the purposes of this subsection, the term "employment" includes services constituting employment under any employment security law of another state or of the federal government.

(f) (g) Subsections (b) through (e) (f) notwithstanding, for the purposes of this part the term "wages" shall include at least that amount of remuneration paid in a calendar year to an individual by an employer or the employer's predecessor with respect to employment during any calendar year which is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.

(g) (h) In accordance with section 303(a)(5) of the Social Security Act, as amended, and section 3304(a)(4) of the Internal Revenue Code of 1986, as amended, any contributions overpaid due to a retroactive reduction in the taxable wage base may be credited against the employer's future contributions upon request by the employer; provided that no employer shall be given a cash refund."

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored."

SECTION 2. House Bill No. 1462, Senate Draft 1, Conference Draft 1, is amended by amending the effective date

of the Act, and renumbering the section of the bill, to read as follows:

"SECTION 11. This Act shall take effect on July 1, 2005, provided that section 9 shall take effect upon approval."

Senator Hemmings moved that Floor Amendment No. 8 be adopted, seconded by Senator Hogue.

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

"Mr. President, first I'd like to preempt any possible discussion about the title of the bill and the appropriateness of this amendment. The title of the bill is 'Relating to the State of Hawaii' and I'd like to think that the title is broad enough to accomplish the purpose of this amendment and that the bill does have two quite different provisions in it. So, certainly the title would accommodate this amendment.

"This is not complicated, Mr. President and colleagues. Actually, when you look at it realistically, and if you wanted to look at it fairly, and you wanted to look at it without biased or political agendas, this is actually a pro-labor bill.

"Right now we have \$400 million in the unemployment compensation fund – way in excess of what is needed for a state enjoying nearly full employment with low unemployment rates.

"Right now, people that are paying the salaries of our employees in the state have to pay workers compensation tax, as you would call it, for the first \$32,500 of wages. This is a simple amendment. It would take that figure down to \$7,000 for a period of three years. What was projected is that they would allow those employers to put back into the economy approximately \$200 million.

"So, I don't quite understand where the opposition is coming from. If \$200 million could be put back in the economy, the question would be – what's going to happen to the money? What are the employers going to do with the money that they don't pay into the workers unemployment reserve fund? Well, I might suggest that they might pay themselves a little bonus for the good job and the risk they've taken for their businesses. They might hire more employees. They might give their workers a pay raise. They might expand their business. They might create another business. They might create opportunities for more people to be employed, the opportunity to expand their economic base, and the opportunity to collect more taxes.

"So, there really is no downside to passing this amendment. And I can't, for the life of me . . . maybe someone from the Majority Party who I know is going to oppose this . . . and by the way, I probably don't need a Roll Call on this, but I'll call for one. I don't understand what the opposition would be. This is a win for everybody.

"This amendment allows labor to have the benefits of more money in the economy. It allows the taxpayers to have a growing economy where more taxes could be collected. It allows employers to have up to \$200 million in the next two or three years to be put back into the economy and into expanding their business, creating more opportunity and prosperity for the workers of Hawaii.

"So, quite frankly, I would appeal to the sense of fair play and common sense of the Majority Party to seriously consider this amendment. Thank you, Mr. President."

The motion to adopt Floor Amendment No. 8 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following Ayes and Noes:

Ayes, 5. Noes, 20 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Ihara, Inouye, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui).

The motion to adopt Conf. Com. Rep. No. 148 and pass H.B. No. 1462, S.D. 1, C.D. 1, on Final Reading was then put by the Chair and carried, Conf. Com. Rep. No. 148 was adopted and H.B. No. 1462, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 149 (H.B. No. 1224, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 149 be adopted and H.B. No. 1224, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Fukunaga.

Senator Hogue then offered the following amendment (Floor Amendment No. 9) to H.B. No. 1224, S.D. 1, C.D. 1:

SECTION 1. House Bill No. 1224, Senate Draft 1, Conference Draft 1 is amended by amending Section 1 to include the designation "Part I" to the section, to read as follows:

"PART I.

SECTION 1. The legislature finds that the National Conference of State Legislatures estimates 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. The National Conference of State Legislatures estimates that, by 2008, Hawaii will lose between \$157,000,000 and \$245,500,000 if nothing is done by that time. Hawaii stands to be one of the top ten states in terms of tax revenues lost in electronic commerce transactions.

The legislature also finds that, with regard to the loss in revenues due to the State's inability to tax electronic commerce, Hawaii's situation is not unique. Other states are currently dealing with this very same problem. To this end, the Streamlined Sales Tax Project (Project) 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. The Project's proposals include tax law simplifications, more efficient administrative procedures, and implementing emerging technologies to substantially reduce the burden of tax collection. The Project's proposals are focused on improving sales and use tax administration systems for both local businesses and remote sellers of all types of commerce. Forty-two states and the District of Columbia are involved in the Project. Nationally, forty-five states and the District of Columbia impose a sales and use tax.

The Project was organized in March 2000, and is conducting its work through a steering committee with co-chairs and a number of work groups. Project participants are generally state revenue department administrators, as well as representatives of state legislatures and local governments. Businesses, including national retailers, trade associations, manufacturers, direct marketers, telecommunications companies, leasing companies, technology companies, printers, accounting firms, and others, have actively participated in the Project by offering expertise

and input, reviewing proposals, suggesting language, and testifying at public hearings.

The goal of the Streamlined Sales Tax Project is to provide the states with a streamlined sales tax system that includes the following key features:

- (1) Uniform definitions within tax laws. Legislatures still choose what is taxable or exempt in their state. However, participating states will agree to use the common definitions for key items in the tax base and will not deviate from these definitions. As states move from their current definitions to the Project's definitions, a certain amount of impact on state revenues is inevitable. However, it is the intent of the Project to provide states with the ability to closely mirror their existing tax bases through common definitions;
- (2) Rate simplification. States will be allowed one state rate and a second state rate in limited circumstances (food and drugs). Each local jurisdiction will be allowed one local rate. A state or local government may not choose to tax telecommunications services, for example, at one rate and all other items of tangible personal property or taxable services at another rate. State and local governments will accept responsibility for notice of rate and boundary changes at restricted times. States will provide an on-line rate/jurisdiction database to simplify rate determinations;
- (3) State level tax administration of all state and local sales and use taxes. Businesses will no longer file tax returns with each local government within which it conducts business in a state. Each state will provide a central point of administration for all state and local sales and use taxes and the distribution of the local taxes to the local governments. A state and its local governments will use common tax bases;
- (4) Uniform sourcing rules. States will have uniform and simple rules for how they will source transactions to state and local governments. The uniform rules will be destination/delivery based and uniform for tangible personal property, digital property, and services. Special sourcing rules will be developed for unique industries;
- (5) Simplified exemption administration for use- and entity-based exemptions. Sellers are relieved of the "good faith" requirements that exist in current law and will not be liable for uncollected tax. Purchasers will be responsible for paying the tax, interest, and penalties for claiming incorrect exemptions. States will have a uniform exemption certificate in paper and electronic form;
- (6) Uniform audit procedures. Sellers who participate in one of the certified Streamlined Sales Tax System technology models will either not be audited or will have limited scope audits, depending on the technology model used. The states may conduct joint audits of large multi-state businesses; and
- (7) State funding of the system. Participating states will apportion costs of a third-party online sales tax collections software system among themselves. It is intended that each state's allocation of costs of the new software system will be paid out of the higher level of tax revenues collected under the Streamlined Sales Tax System Project.

The legislature further finds that the states are also participating in a joint business-government study of the costs of collection on sellers. The Project proposes that states change their sales and use tax laws to conform with the simplifications as proposed by the Project. Thus, the simplifications would apply to all sellers. Sellers who do not have a physical presence or "nexus" are not required to collect sales and use taxes unless Congress chooses to require collection from all sellers for all

types of commerce. Sellers without a physical presence can volunteer to collect under the proposed simplifications. Registration by sellers to voluntarily collect sales and use taxes will not infer that the business must pay business activity taxes, such as the corporate franchise or income tax.

The legislature further finds that the Streamlined Sales Tax Project envisions two components to the legislation necessary to accomplish the Project's goals. First, states would adopt enabling legislation referred to as the Uniform Sales and Use Tax Administration Act ("Act"). The Act allows the State to enter into an agreement with one or more states to simplify and modernize sales and use tax administration in order to reduce the burden of tax compliance for all sellers and all types of commerce.

According to the Project, states would amend or modify their sales and use tax laws to achieve the simplifications and uniformity required by the participating states working together. The Project refers to this legislation as the Streamlined Sales and Use Tax Agreement ("Agreement"). Some states will require only minor changes to current law to implement the requirements of the Agreement. Other states with more complicated sales tax laws may require significant changes to current law to be in accord with the Agreement.

In Hawaii, the legislature finds that few amendments are needed to the State's existing general excise and use tax laws to comply with the requirements of the Agreement and Act. The legislature further finds that, with the amendments contained in this Act, Hawaii will have conformed in most respects to the seven key features described above. The legislature intends that passage of this Act meets the threshold requirements for Hawaii to petition for a certificate of compliance and membership under the Agreement.

A certificate of compliance would document each state's compliance with the provisions of the Agreement and cite applicable statutes, rules or regulations, or other authorities supporting such compliance. Public notice and comment will be provided before a state becomes part of the interstate Agreement. A state is in compliance with the Agreement if the effect of the state's laws, rules or regulations, and policies is substantially compliant with each of the requirements of the Agreement. If a state is found to be out of compliance with the Agreement, it will not be accepted into the interstate Agreement or will be sanctioned or expelled by the other participating states. In a voluntary system, sellers who are voluntarily collecting sales taxes for participating states may decide to no longer collect for the expelled state. Also, that state may not have a vote on changes in the Agreement.

Under the Agreement, a governing board will be comprised of representatives of each member state of the Agreement. Each member state is entitled to one vote on the governing board. The governing board is responsible for interpretations of the Agreement, amendments to the Agreement, and issue resolution. A State and Local Government Advisory Council and a Business and Taxpayer Advisory Council from the private sector will advise the governing board.

On November 12, 2002, thirty states and the District of Columbia approved the interstate Agreement provisions. As of April 2004, twenty states have moved forward and enacted all or part of the conforming legislation. It is anticipated that states that enacted the conforming legislation and are found to be in compliance with the Agreement will continue as the governing states of the interstate Agreement of the future."

SECTION 2. House Bill No. 1224, Senate Draft 1, Conference Draft 1 is amended by adding a new part to be designated as "Part II" to read as follows:

"PART II.

SECTION 9. This part aims to provide income tax relief for lower-income individuals by raising the Hawaii standard

deduction to approximately one-half of the 2004 federal standard deduction over a three-year period.

SECTION 10. Section 235-2.4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Section 63 (with respect to taxable income defined) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that the standard deduction amount in section 63(c) of the Internal Revenue Code shall instead mean:

- (1) For taxable years before January 1, 2006:
 - ~~(A)~~ (A) \$1,900 in the case of:
 - ~~(A)~~ (i) A joint return as provided by section 235-93; or
 - ~~(B)~~ (ii) A surviving spouse (as defined in section 2(a) of the Internal Revenue Code);
 - ~~(2)~~ (B) \$1,650 in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code);
 - ~~(3)~~ (C) \$1,500 in the case of an individual who is not married and who is not a surviving spouse or head of household; or
 - ~~(4)~~ (D) \$950 in the case of a married individual filing a separate return.
- (2) For any taxable year beginning after December 31, 2005 and before January 1, 2007:
 - (A) \$3,000 in the case of:
 - (i) A joint return as provided by section 235-93; or
 - (ii) A surviving spouse (as defined in section 2(a) of the Internal Revenue Code);
 - (B) \$2,300 in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code);
 - (C) \$1,500 in the case of an individual who is not married and who is not a surviving spouse or head of household; or
 - (D) \$1,500 in the case of a married individual filing a separate return.
- (3) For any taxable year beginning after December 31, 2006 and before January 1, 2008:
 - (A) \$4,000 in the case of:
 - (i) A joint return as provided by section 235-93; or
 - (ii) A surviving spouse (as defined in section 2(a) of the Internal Revenue Code);
 - (B) \$3,000 in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code);
 - (C) \$2,000 in the case of an individual who is not married and who is not a surviving spouse or head of household; or
 - (D) \$2,000 in the case of a married individual filing a separate return.
- (4) For any taxable year beginning after December 31, 2007 and before January 1, 2009:
 - (A) \$5,000 in the case of:
 - (i) A joint return as provided by section 235-93; or
 - (ii) A surviving spouse (as defined in section 2(a) of the Internal Revenue Code);
 - (B) \$3,650 in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code);
 - (C) \$2,500 in the case of an individual who is not married and who is not a surviving spouse or head of household; or
 - (D) \$2,500 in the case of a married individual filing a separate return.

Section 63(c)(4) shall not be operative in this State. Section 63(c)(5) shall be operative, except that the limitation on basic standard deduction in the case of certain dependents shall be the greater of \$500 or such individual's earned income. Section

63(f) shall not be operative in this State. The standard deduction amount for nonresidents shall be calculated pursuant to section 235-5.”

SECTION 3. House Bill No. 1224, Senate Draft 1, Conference Draft 1 is amended by renumbering the subsequent sections and amending the original section 10 to read as follows:

“SECTION 11. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 12. This Act shall take effect upon its approval; provided that section 7 shall take effect on July 1, 2005 and Part II shall apply to taxable years beginning after December 31, 2005.”

Senator Hogue moved that Floor Amendment No. 9 be adopted, seconded by Senator Trimble.

Senator Hogue rose in support of the amendment and said:

“Mr. President, I remember at the beginning of this particular Session in your remarks to this esteemed Body and to the members of the State of Hawaii, you talked about tax relief. Here is an opportunity for you and the members of your party to follow through on that pledge by increasing the amount of the standard deduction.

“I want to read just a little bit of an article that was written in the Star-Bulletin. It says, ‘For taxpayers in at least a half-dozen states from Alabama to Hawaii, next month’s tax bill will likely take a bigger bite than last year’s because legislators don’t account for inflation when they craft tax law. Hawaii hasn’t had a change to the standard deduction allowed for taxpayers – now among the lowest in the nation – since 1989. The problem is that governments in those states do not automatically increase their standard deduction along with inflation, leaving middle- and lower-income taxpayers with bills that have grown steadily for years. It’s a built-in tax increase,’ says the article.

“Well, this particular amendment goes against that trend and actually moves the standard deduction towards what the federal standard deduction is. In fact it moves it to approximately one-half of the 2004 federal standard deduction over a three-year period.

“So, I think if in fact the Majority Party was genuine in its comments at the beginning of this year, we should provide tax relief to the beleaguered taxpayers of the State of Hawaii, and I urge all of my colleagues to vote ‘yes’ on this amendment.

“Thank you. Mr. President, Roll Call vote.”

The motion to adopt Floor Amendment No. 9 was put by the Chair and, Roll Call vote having been requested, failed to carry on the following Ayes and Noes:

Ayes, 5. Noes, 20 (Baker, Bunda, Chun Oakland, English, Espero, Fukunaga, Hanabusa, Hee, Hooser, Ige, Ihara, Inouye, Kanno, Kim, Kokubun, Menor, Nishihara, Sakamoto, Taniguchi, Tsutsui).

The motion to adopt Conf. Com. Rep. No. 149 and pass H.B. No. 1224, S.D. 1, C.D. 1, on Final Reading was then put by the Chair and carried, Conf. Com. Rep. No. 149 was adopted and H.B. No. 1224, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Hemmings, Hogue, Slom).

At 12:10 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:11 o’clock p.m.

RECOMMITTAL OF A SENATE BILL

Conf. Com. Rep. No. 128 (S.B. No. 935, S.D. 1, H.D. 1, C.D. 1):

By unanimous consent, Conf. Com. Rep. No. 128 and S.B. No. 935, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC WORKS,” were recommitted to the Committee on Conference.

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 29, 2005

S.B. No. 460, H.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 460, and S.B. No. 460, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAX REFUNDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 834, S.D. 2, H.D. 1:

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 834, S.D. 2, and S.B. No. 834, S.D. 2, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1336, S.D. 1, H.D. 1:

On motion by Senator Menor, seconded by Senator Hanabusa and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 1336, S.D. 1, and S.B. No. 1336, S.D. 1, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CONDOMINIUMS AND COOPERATIVE HOUSING CORPORATIONS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTER DEFERRED FROM THURSDAY, APRIL 28, 2005

Conf. Com. Rep. No. 2 (S.B. No. 77, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Espero and carried, Conf. Com. Rep. No. 2 was adopted and S.B. No. 77, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY,” having been read

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

Ayes, 25. Noes, none.

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 29, 2005

Conf. Com. Rep. No. 7 (S.B. No. 1003, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Menor and carried, Conf. Com. Rep. No. 7 was adopted and S.B. No. 1003, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NET ENERGY METERING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 8 (S.B. No. 1903, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator English and carried, Conf. Com. Rep. No. 8 was adopted and S.B. No. 1903, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE SEAWATER AIR CONDITIONING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 9 (S.B. No. 76, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Espero and carried, Conf. Com. Rep. No. 9 was adopted and S.B. No. 76, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC VIOLATIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 10 (S.B. No. 1378, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Espero, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 10 was adopted and S.B. No. 1378, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PEARL HARBOR HISTORIC TRAIL," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 11 (S.B. No. 700, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 11 was adopted and S.B. No. 700, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NUISANCE ABATEMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 13 (S.B. No. 1253, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Hooser and carried, Conf. Com. Rep. No. 13 was adopted and S.B. No. 1253, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 14 (S.B. No. 1685, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Ige, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 14 was adopted and S.B. No. 1685, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 16 (S.B. No. 639, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Menor and carried, Conf. Com. Rep. No. 16 was adopted and S.B. No. 639, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 18 (S.B. No. 754, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 18 was adopted and S.B. No. 754, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 20 (S.B. No. 1349, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 20 was adopted and S.B. No. 1349, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 22 (S.B. No. 1018, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Sakamoto and carried, Conf. Com. Rep. No. 22 was adopted and S.B. No. 1018, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 25 (S.B. No. 1427, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 25 was adopted and S.B. No.

1427, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT OF HIGH ENERGY EFFICIENT VEHICLES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 28 (S.B. No. 1798, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 28 was adopted and S.B. No. 1798, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NONPROFIT CORPORATIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 29 (S.B. No. 1778, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 29 was adopted and S.B. No. 1778, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 30 (S.B. No. 1348, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 30 was adopted and S.B. No. 1348, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 31 (S.B. No. 117, H.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Conf. Com. Rep. No. 31 was adopted and S.B. No. 117, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 32 (S.B. No. 1883, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 32 was adopted and S.B. No. 1883, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MILOLI FISHERIES MANAGEMENT AREA," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 34 (S.B. No. 797, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 34 was adopted and S.B. No. 797, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY

DEVELOPMENT CORPORATION OF HAWAII," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 35 (S.B. No. 1473, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Baker, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 35 was adopted and S.B. No. 1473, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WAIMANO RIDGE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 36 (S.B. No. 702, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 36 was adopted and S.B. No. 702, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANTITRUST," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 37 (S.B. No. 1721, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Espero, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 37 was adopted and S.B. No. 1721, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A STATE CULTURAL PUBLIC MARKET," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 38 (S.B. No. 556, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 38 was adopted and S.B. No. 556, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 39 (S.B. No. 1796, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Conf. Com. Rep. No. 39 was adopted and S.B. No. 1796, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSITION OF CONVICTED DEFENDANTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 41 (S.B. No. 118, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Menor and carried, Conf. Com. Rep. No. 41 was adopted and S.B. No. 118, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF DENTAL EXAMINERS

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 43 (S.B. No. 1285, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Baker, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 43 was adopted and S.B. No. 1285, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRADITIONAL HAWAIIAN HEALING PRACTICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 46 (S.B. No. 1702, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Espero and carried, Conf. Com. Rep. No. 46 was adopted and S.B. No. 1702, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 47 (S.B. No. 1362, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Espero and carried, Conf. Com. Rep. No. 47 was adopted and S.B. No. 1362, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VEHICLES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 48 (S.B. No. 1876, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Inouye, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 48 was adopted and S.B. No. 1876, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAYS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 29, 2005

Conf. Com. Rep. No. 51 (H.B. No. 295, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Menor and carried, Conf. Com. Rep. No. 51 was adopted and H.B. No. 295, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 53 (H.B. No. 606, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 53 was adopted and H.B. No. 606, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS FOR NET METERED RENEWABLE ENERGY SYSTEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 54 (H.B. No. 712, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 54 was adopted and H.B. No. 712, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VIOLATIONS OF CHAPTER 6E," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 55 (H.B. No. 864, S.D. 1, C.D. 1):

On motion by Senator Ige, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 55 was adopted and H.B. No. 864, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 58 (H.B. No. 1550, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Baker and carried, Conf. Com. Rep. No. 58 was adopted and H.B. No. 1550, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STUDENTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 61 (H.B. No. 769, H.D. 3, S.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 61 was adopted and H.B. No. 769, H.D. 3, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 64 (H.B. No. 502, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Inouye, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 64 was adopted and H.B. No. 502, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC OFFENSES REQUIRING IMPOSITION OF INCREASED PENALTIES FOR SUBSEQUENT OFFENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 65 (H.B. No. 551, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Ige, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 65 was adopted and H.B. No. 551, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 67 (H.B. No. 1709, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Conf. Com. Rep. No. 67 was adopted and H.B. No. 1709, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 68 (H.B. No. 125, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Hooser and carried, Conf. Com. Rep. No. 68 was adopted and H.B. No. 125, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RESOURCES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 69 (H.B. No. 1295, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 69 was adopted and H.B. No. 1295, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOLS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 71 (H.B. No. 164, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 71 was adopted and H.B. No. 164, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNAUTHORIZED MOTION PICTURE RECORDING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 72 (H.B. No. 477, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 72 was adopted and H.B. No. 477, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXEMPTING ROTH INDIVIDUAL RETIREMENT ACCOUNTS FROM ATTACHMENT OR SEIZURE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 73 (H.B. No. 785, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 73 was adopted and H.B. No. 785, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 74 (H.B. No. 1659, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Hooser and carried, Conf. Com. Rep. No. 74 was adopted and H.B. No. 1659, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NONCOMMERCIAL PIERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 75 (H.B. No. 1430, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 75 was adopted and H.B. No. 1430, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE CONTROL," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 77 (H.B. No. 1201, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 77 was adopted and H.B. No. 1201, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL THEFT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 78 (H.B. No. 1202, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 78 was adopted and H.B. No. 1202, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL TRESPASSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 79 (H.B. No. 320, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator English and carried, Conf. Com. Rep. No. 79 was adopted and H.B. No. 320, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL DISCLOSURE STATEMENTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 82 (H.B. No. 806, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Hee and carried, Conf. Com. Rep. No. 82 was adopted and H.B. No. 806, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL TRESPASS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 86 (H.B. No. 408, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator English, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 86 was adopted and H.B. No. 408, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 88 (H.B. No. 1476, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 88 was adopted and H.B. No. 1476, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NORTH KOHALA," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 89 (H.B. No. 931, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 89 was adopted and H.B. No. 931, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 91 (H.B. No. 852, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Espero and carried, Conf. Com. Rep. No. 91 was adopted and H.B. No. 852, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERMIT APPROVALS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 92 (H.B. No. 1276, H.D. 3, S.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 92 was adopted and H.B. No. 1276, H.D. 3, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 101 (S.B. No. 1038, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Hee and carried, Conf. Com. Rep. No. 101 was adopted and S.B. No. 1038, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PROCUREMENT INSTITUTE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 104 (S.B. No. 3, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 104 was adopted and S.B. No. 3, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 106 (S.B. No. 791, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Conf. Com. Rep. No. 106 was adopted and S.B. No. 791, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A CONTINUUM OF HEALTH CARE SETTINGS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 109 (S.B. No. 669, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 109 was adopted and S.B. No. 669, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL QUARANTINE FACILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 115 (S.B. No. 1816, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Baker and carried, Conf. Com. Rep. No. 115 was adopted and S.B. No. 1816, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STUDENT SUBSTANCE ABUSE ASSESSMENT REFERRALS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 116 (S.B. No. 1661, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 116 was adopted and S.B. No. 1661, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 117 (S.B. No. 1394, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Hee and carried, Conf. Com. Rep. No. 117 was adopted and S.B. No. 1394, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 120 (S.B. No. 1780, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Tsutsui and carried, Conf. Com. Rep. No. 120 was adopted and S.B. No. 1780, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON FATHERHOOD," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 122 (S.B. No. 1554, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 122 was adopted and S.B. No. 1554, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 131 (H.B. No. 390, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 131 was adopted and H.B. No. 390, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 153 (S.B. No. 738, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 153 was adopted and S.B. No. 738, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 154 (S.B. No. 817, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 154 was adopted and S.B. No. 817, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYMENT SECURITY LAW," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 157 (S.B. No. 1194, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 157 was adopted and S.B. No. 1194, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF TRUSTEES OF THE DEFERRED COMPENSATION PLAN," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 162 (H.B. No. 460, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 162 was adopted and H.B. No. 460, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL SERVICE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 163 (H.B. No. 1393, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 163 was adopted and H.B. No. 1393, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON THE STATUS OF WOMEN," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 169 (H.B. No. 1051, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Menor and carried, Conf. Com. Rep. No. 169 was adopted and H.B. No. 1051, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 172 (H.B. No. 393, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Ige, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 172 was adopted and H.B. No. 393, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COUNTIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 173 (H.B. No. 1017, H.D. 3, S.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Menor and carried, Conf. Com. Rep. No. 173 was adopted and H.B. No. 1017, H.D. 3, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOLAR ENERGY," having been read

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 178 (S.B. No. 1137, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Espero and carried, Conf. Com. Rep. No. 178 was adopted and S.B. No. 1137, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 179 (S.B. No. 1132, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 179 was adopted and S.B. No. 1132, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 181 (S.B. No. 179, S.D. 3, H.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Ige and carried, Conf. Com. Rep. No. 181 was adopted and S.B. No. 179, S.D. 3, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 184 (H.B. No. 1733, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 184 was adopted and H.B. No. 1733, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BIOLOGICAL EVIDENCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTERS DEFERRED FROM
FRIDAY, APRIL 29, 2005**

Conf. Com. Rep. No. 4 (S.B. No. 1843, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Inouye, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 4 was adopted and S.B. No. 1843, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 5 (S.B. No. 761, S.D. 2, H.D. 1, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 5 be adopted and S.B. No. 761, S.D. 2, H.D. 1, C.D. 1, seconded by Senator Menor.

Senator Baker rose and said:

"Mr. President, could I have some remarks submitted in support of S.B. No. 761. Thank you."

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

"Mr. President, I rise in support of S.B. No. 761.

"This bill will better enable individuals with serious mental illness to access necessary treatment by including four additional disorders within the definition of serious mental illness including obsessive compulsive disorder, dissociative disorder, delusional disorder, and major depression in the 'serious mental illness' definition.

"The Queen's Medical Center, which provides over 50 percent of Oahu's inpatient behavioral health services and 39.5 percent for the State, noted in their testimony in support of this measure that with the expansion of the definition of serious mental illness in this bill, 'access to necessary care will be easier.'

"Mr. President and colleagues, this bill is also supported by the Hawaii Psychiatric Medical Association, the Administration, National Alliance on Mental Illness, Mental Health Association, disability rights groups, consumers, as well as health plans such as HMSA and Kaiser. Although HMSA testified that they already include these disorders in their plan coverage, it's time to codify the practice and put mental health parity in our Statutes. I urge all of you to join in support of this bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 5 was adopted and S.B. No. 761, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

Conf. Com. Rep. No. 6 (S.B. No. 122, S.D. 1, H.D. 3, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 6 be adopted and S.B. No. 122, S.D. 1, H.D. 3, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Baker rose and said:

"Mr. President, before we leave the bills, I would ask that some remarks that I have prepared for S.B. No. 122 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. 122, S.D. 1, H.D. 3, C.D. 1.

"This very important measure is a continuation of our previous efforts to improve patient safety in Hawaii by looking at ways to address systemic issues in our healthcare system. S.B. No. 122 expands the scope of information protected from discovery in civil actions by including information expressed in case review forums. Case review forums give members of the health care profession an opportunity to discuss dangerous or

potentially dangerous procedures or situations. During these discussions, solutions can be developed to prevent these types of situations from occurring in the future. Thus, during case review forums, professionals may freely discuss ways to eliminate these problems and address concerns without fear of civil litigation. This will ultimately provide an atmosphere conducive to educating our physicians, thus providing a safer healthcare system for our citizens.

"I urge you to support S.B. No. 122, S.D. 1, H.D. 3, C.D. 1. Mahalo."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 6 was adopted and S.B. No. 122, S.D. 1, H.D. 3, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PATIENT SAFETY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 15 (S.B. No. 121, H.D. 1, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 15 be adopted and S.B. No. 121, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator English.

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

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

"Thank goodness we have something that we can be proud of during this Session – to allow brewpubs to put their product in recyclable containers rather than restrict them to glass. I think this strikes a blow for small business and certainly for those that imbibe brewery products.

"Thank you."

Senator Baker rose in support of the measure and stated:

"Mr. President, I rise in support of this measure not in the facetious manner of the former speaker, but on behalf of small business microbreweries who are looking to the Legislature as a means of expanding their business by using cans to sell their products for carry out and also to be able to dispense their products in establishments with restaurant licenses.

"We updated this law last year at their request and we made one omission by not including restaurant license. We're fixing it this year. It is something that will help small businesses expand, and I'm disappointed in the previous speaker's remarks.

"Thank you."

Senator Slom rose in rebuttal and said:

"Mr. President, I rise in brief rebuttal.

"I'm so sorry that the Senator from Maui is disappointed. I was not being facetious about the bill. I was being facetious about how this Legislature continues to raise taxes, increase regulations and prohibitions, do everything possible to put out small businesses, put them out of business, to deny people entrance into businesses, and then we pass this one bill and all of the people that are engaged in taxing and regulating and prohibiting rally around this business bill as if it were going to solve our business climate problems.

"So, I strongly support the measure. It is a good measure, but we have done far too many negative things to businesses. And so I think that's what the good Senator from Maui should be most concerned about.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 15 was adopted and S.B. No. 121, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BREWPUB LICENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 17 (S.B. No. 693, S.D. 1, H.D. 1, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 17 be adopted and S.B. No. 693, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Espero.

Senator Trimble rose to speak in opposition to the measure as follows:

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

"Colleagues, charitable gift annuities should be used very sparingly. I oppose this measure because I think this bill is going toward the expansion of the marketing of this tool, which would be very limited, and the impact of this tool, we will not see for five, ten, fifteen years. The most likely target of marketing efforts will be the elderly, probably widows whose major asset is their home because of rapidly increasing land values. I suggest that charitable gift annuities, were they to be marketed strongly by the likes of Ronald Rewald, will have a long-term negative impact.

"So I encourage discussion. I encourage your thoughtful review. Today, I'll be voting 'no' on this measure. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 17 was adopted and S.B. No. 693, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE GIFT ANNUITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

Conf. Com. Rep. No. 21 (S.B. No. 1453, S.D. 2, H.D. 1, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 21 be adopted and S.B. No. 1453, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition and stated:

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

"This bill is a very, very narrowly defined bill. It basically applies to one company and that is the private sewer company in East Honolulu in Hawaii Kai. There was another private sewer company out in the Laie area, but that, I understand, has been sold.

“What basically this bill seeks to do is to impose the public service company tax on the private sewer company even though the Tax Appeal Court had ruled that the private sewer companies at that time, two of them, were not subject to the tax.

“So, what we’re trying to do here, basically, is to interfere with and override the Tax Appeal Court. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 21 was adopted and S.B. No. 1453, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC SERVICE COMPANY TAX,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

Conf. Com. Rep. No. 26 (S.B. No. 1877, H.D. 1, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 26 be adopted and S.B. No. 1877, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Trimble rose to speak in opposition to the measure as follows:

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

“This a continuation of a bad bill that was passed in the previous Session. I think if you look at the functions of the Office of State Planning and the individual sections that are in the Office of State Planning, they are more appropriately located in a different agency. If you look at land use planning, if you look at coastal zone management, if you look at GIS, these functions more appropriately belong in the Department of Land and Natural Resources.

“We didn’t get the point when we passed the original legislation. We don’t get the point today. Thank you, Mr. President.”

Senator Kokubun rose to speak in support of the measure and said:

“Mr. President, I stand in support of this measure.

“Thank you, Mr. President, with respect to the previous speakers notion that these activities of the Office of Planning is more appropriate within the Department of Land of Natural Resources, then I would suggest that the speaker propose those specific amendments. State law now provides that the Office of Planning shall be under the jurisdiction of the Department of Business, Economic Development, and Tourism.

“This bill simply reiterates that in a very clear manner, because as we know, the Administration has attempted to move the Office of Planning to the Department of Land and Natural Resources, administratively, and we have said ‘no, this needs to be done statutorily,’ and that has not been forthcoming.

“Mr. President, for that reason, I ask my colleagues to support this measure. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 26 was adopted and S.B. No. 1877, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE OFFICE OF PLANNING,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 27 (S.B. No. 956, S.D. 1, H.D. 1, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 27 moved that S.B. No. 956, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Third Reading, seconded by Senator English.

At 12:20 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:23 o’clock p.m.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 27 was adopted and S.B. No. 956, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO AGRICULTURAL INSPECTIONS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 12:23 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:32 o’clock p.m.

Conf. Com. Rep. No. 33 (S.B. No. 1891, S.D. 2, H.D. 2, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 33 be adopted and S.B. No. 1891, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

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

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

“I certainly agree with the calculation of the fees for new increases for commercial boating. I think they’re long overdue and I understand that in fact an agreement has been reached with many of the commercial boaters.

“What I’m troubled about is the discrimination against out-of-state boat owners. That is very specific in the bill and I’m concerned about whether or not that meets constitutional muster and also the interstate commerce clause.

“So I’ll be voting ‘no’ on the bill. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 33 was adopted and S.B. No. 1891, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BOATING,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 40 (S.B. No. 1100, S.D. 2, H.D. 1, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 40 be adopted and S.B. No. 1100, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Slom rose in opposition and stated:

“Mr. President, I rise also in opposition to this bill.

“While I certainly want to do everything possible to eliminate the scourge of drug use, I think that we tend to go overboard. We’re doing that in the situation with terrorism at the airports and with various laws and now we seek to have a law that basically restricts, limits, or makes criminals and a presumption of guilt to those people that are buying a common household pharmaceutical item, so I’ll be opposing it.

“Thank you.”

Senator Baker rose to speak in support of the measure and said:

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

“Mr. President, this is a modest but important step forward, I believe, in eliminating the manufacture and use of crystal methamphetamine or ice in our state. Cold medicines containing pseudoephedrine are a key ingredient in the clandestine manufacture of ice.

“In calendar year 2004, the Narcotics Enforcement Division reported busting 15 meth labs – 9 on Oahu, 6 on the Big Island. In just 3 months of this year, NED has already eliminated 10 labs – 8 on Oahu, 1 on Kauai, and 1 in Kona. Unfortunately, they traced these drugs back to retail outlets where the drugs were acquired but not legally. They’re being stolen, quite frankly. But the problem is growing and we need the tools evident in this measure to bolster our efforts.

“I’d like to thank the Division of Narcotics Enforcement and particularly its head, Mr. Kamita, for assisting the Committee as we worked through the chasm between the various versions of this measure. The House and Senate were virtually poles apart, but we have come together with a measure that I think will assist in the war against ice.

“Limiting the purchase of these cold medicines to 9 grams or 3 packages per purchase without a prescription and limiting or monitoring retail access is another prudent way to reduce the availability of ice’s main ingredients for clandestine labs.

“Almost half the states in this country have adopted some measures to restrict access. Others are considering similar measures to this bill to address the illegal ice manufacturing problem. Early states that adopted, some with more stringent rules, have shown that such approaches as outlined in our bill are successful.

“As one of my constituents put it, ‘we can’t fight a war if we are supplying the other side with ammunition to use against us.’ This bill gives us another tool in that fight and I urge my colleagues to join me in supporting this measure.

“Thank you.”

Senator Hogue rose to speak in support of the measure as follows:

“Mr. President, I rise in support and I agree with the previous speaker on this particular measure.

“The sale of pseudoephedrine, a common over-the-counter cold medicine ingredient, is in fact a very, very troubling part of the whole ice crisis that is now in front of us. We see the usage of ice in all of our communities. We certainly see it in mine, in Kailua and in Kaneohe, and I think that this measure strikes the

right balance of protecting the public and also coming up with safeguards that are necessary for businesses.

“It will allow pseudoephedrine to go behind the counter. We already see sections of a supermarket where they have a pharmacy and they have things behind the counter that are locked away behind a key and this will join that. There’s the opportunity for constant video monitoring or an employee to be present.

“So, I think that this does us good. I think we’ve struck the right balance here. We’re protecting the public and we’re battling ice, which we need to continue to battle.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 40 was adopted and S.B. No. 1100, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 42 (S.B. No. 568, S.D. 1, H.D. 2, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 42 be adopted and S.B. No. 568, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Tsutsui requested his vote be cast “aye, with reservations,” and the Chair so ordered.

Senator Baker rose to speak on the measure and said:

“Mr. President, may I have remarks inserted into the journal in support of this measure.”

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

“Mr. President, I rise in support of S.B. No. 568.

“This is an important measure which improves our dental licensure law by providing for the ultimate replacement of our state constructed exam with the adoption of the American Board of Dental Examiners ADEX exam as the standard for licensure. This measure also allows for the licensure of dental specialists. We heard from numerous Kamaaina who now live and practice a dental specialty on the mainland but want to return to Hawaii to practice their specialty. This legislation provides them the opportunity to come home and practice here. This measure will represent a true compromise amongst the Hawaii Board of Dental Examiners and the Hawaii Dental Association on one side, and those supporting licensure by credentials on the other. It honors quality and addresses the immediate concerns regarding the state-constructed exam.

“I urge my colleagues to vote in support of this measure.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 42 was adopted and S.B. No. 568, S.D. 1, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DENTISTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTER DEFERRED FROM
FRIDAY, APRIL 29, 2005**

Conf. Com. Rep. No. 52 (H.B. No. 1320, H.D. 1, S.D. 1, C.D. 1):

Senator Ige moved that Conf. Com. Rep. No. 52 be adopted and H.B. No. 1320, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Trimble rose in opposition and said:

“Mr. President, I am standing in opposition to this measure.

“I believe that this matter of the length of time that records be kept for 911 calls be left exclusively to the discretion of the counties.

“No information was received about the cost implication for neighbor island counties and the only reason that the city and county testified in favor of it is because they currently maintain a one-year length of records.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 52 was adopted and H.B. No. 1320, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EMERGENCY 911,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

FINAL READING

Conf. Com. Rep. No. 57 (H.B. No. 843, H.D. 1, S.D. 1, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 57 be adopted and H.B. No. 843, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

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

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

“I realize that this is enabling legislation to potentially raise the price of school lunch. But when we are already raising taxes, raising salaries, raising the minimum wage – we seem to be raising everything except the tip credit around here – I certainly cannot be in support of raising the price of a school lunch.

“For a medium income family, there’s the possibility, if you had a couple of kids and you didn’t qualify for some of the low income, you could be charged upwards of three or four hundred dollars a year to try to feed your kids. And so for these reasons, I will be voting ‘no.’”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 57 was adopted and H.B. No. 843, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SCHOOL LUNCH,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 59 (H.B. No. 150, H.D. 2, S.D. 2, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 59 be adopted and H.B. No. 150, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senators Taniguchi, English, Ihara, Ige, Kim and Menor requested their votes be cast “aye, with reservations,” and the Chair so ordered.

Senator Slom rose in opposition to the measure and said:

“Mr. President, somebody has to stand up and say ‘no,’ and I’m voting ‘no’ because again, as I’ve said previously, instead of taking those irresponsible teenagers, lawbreaking teenagers, we are once again having legislation that would apply to everyone based solely on their age.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 59 was adopted and H.B. No. 150, H.D. 2, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DRIVER LICENSING,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Whalen).

Conf. Com. Rep. No. 62 (H.B. No. 162, H.D. 2, S.D. 1, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 62 be adopted and H.B. No. 162, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Inouye.

Senator Trimble rose to speak with reservations and said:

“Mr. President, I rise to express my reservations.

“Colleagues, I support the measure because I think it will lead to greater competition and lower prices. However, I think that we need to validate this assumption by studying what is the actual impact of having these set-asides.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 62 was adopted and H.B. No. 162, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PROCUREMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 66 (H.B. No. 553, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator English and carried, Conf. Com. Rep. No. 66 was adopted and H.B. No. 553, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE UNIFORM INFORMATION PRACTICES ACT (MODIFIED),” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 70 (H.B. No. 332, H.D. 1, S.D. 2, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 70 be adopted and H.B. No. 332, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Slom rose to speak in opposition to the measure as follows:

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

“Certainly I don’t want my remarks to seem facetious, but what the heck are we doing regulating the labeling of bread products? There has been no problem that’s been brought to the communities’ discussion level in the hearings or anything else. We have two unions that testified in support of this measure – one, interestingly enough, was the teachers union.

“As I mentioned before, there’s no problem. We’re not talking about products where you really need to know if they were previously frozen, such as seafood products or meat products or those products which could have spoilage or could have consumer problems or health problems. This simply is a union measure and it is an anti-competitive measure. All the people that testified, other than these two unions, testified in favor of not having additional regulation.

“It doesn’t seem to be anything that anyone has been concerned about and yet we in the Legislature feel it’s our duty to inject ourselves into the issue and to create a problem where none has existed.

“For most people, I know that when they buy any kind of bread, the first thing they do after they open it is they put it in the freezer and freeze it as well.

“So, I don’t why we’re doing this other than to placate two unions, but I’ll be voting ‘no.’ Thank you.”

Senator Baker rose in support of the measure and stated:

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

“I think it’s important to correct the record. This is not a labeling bill, although it did start out as that. This is a notice bill so that consumers can have the option of making an informed choice, because most people don’t know that much of the baked goods, including bread, that comes into the state has been previously frozen, thawed, and it gives a fresh appearance.

“This is really an effort to make sure that people have an opportunity to know that imported baked goods are different than locally baked products.

“Thank you.”

Senator Trimble rose to speak in opposition to the measure as follows:

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

“Colleagues, let’s go to the reason why we’re even having the discussion. A decade ago we had similar types of discussion about milk. You know, it’s absolutely astounding that a society that lives over 2,500 miles from the nearest continental land mass is bringing in fresh milk products and bringing in frozen bread products. It’s not a health and safety issue. It is not a freshness issue. It just shows the impact of our tax structure on the ability to make products in Hawaii.

“If we really want to address this issue, then we ought to eliminate the tax on business-to-business transaction and then we wouldn’t be following red herrings.

“Thank you, Mr. President.”

Senator Hogue rose to speak in opposition and stated:

“Mr. President, I rise in opposition.

“Colleagues, the pseudoephedrine bill made sense because it was in the best interest of public safety. There is no public that is unsafe because of flash frozen bread.

“This is a labeling issue, by the way, besides just the signage. I agree with the speaker from Maui that it did change for the most part between labeling to signage and now there will be a sign that says previously frozen and thawed. They even tell you that the sign has to be in all capital letters, bold print, and a minimum 14-point font size. But now it goes on beyond that and it says, no previously frozen baked good product shall use the term ‘fresh’ as part of the label or in advertising. So in fact it is a labeling issue at this point and although I do not have a list of those baked good products that maybe have fresh in their name, essentially we’re making anybody that are maybe called pop and fresh cake or something like that and we’re saying that if somewhere along the process they’ve been previously flash frozen, then they are illegal with that name. So, this one goes too far.

“One other issue that I want to bring up is whenever you put signage out there, it’s as if you’re raising a red flag that there’s something the matter. That’s the point of those who have put this measure forward. That’s what they want consumers to think – that there’s something the matter with the particular product. Well, nothing is the matter. We love fresh bread that is baked here locally. We love bread and baked goods that come from the mainland that has been frozen along in the process. And in most cases, we’ll probably go home and we’ll put it in the freezer anyway and we’ll eat it and it will be all yummy when it gets in our tummy.

“So, I’ll be voting ‘no.’ Thank you.”

Senator Hooser rose to speak in support and said:

“Mr. President, I rise in support of this bill.

“All this talk about going home with your bread and putting it in the freezer, I don’t know about these guys, but I buy my bread fresh every day we need bread. And I, for one, would like to know if I’m buying frozen bread or real fresh bread and I support this bill.

“I think labeling is a good thing. I think we need to know what we’re buying. If it’s fresh, let’s call it fresh. If it’s frozen, let’s call it frozen, and let’s buy fresh bread.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 70 was adopted and H.B. No. 332, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FROZEN FOOD PRODUCTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

Conf. Com. Rep. No. 76 (H.B. No. 895, H.D. 2, S.D. 2, C.D. 1):

Senator English moved that Conf. Com. Rep. No. 76 be adopted and H.B. No. 895, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Whalen rose to speak in opposition and said:

“Mr. President, I rise in opposition.

“I won’t go through it all. It has gotten somewhat better, but still I don’t think we need to ban Christmas lights to deal with this perceived problem.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 76 was adopted and H.B. No. 895, H.D. 2, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO COASTAL LIGHT POLLUTION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 81 (H.B. No. 438, H.D. 1, S.D. 2, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 81 be adopted and H.B. No. 438, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Trimble rose with reservations and said:

“Mr. President, I rise to speak in favor of this measure, but with a caveat.

“Colleagues, about a month ago each of us was given something to wear on our hip when we walked around by HMSA. When I took the odometer off, I had I think 275 miles on it.

“Pedestrian safety is dear to my heart. The problem here is that it’s an engineering as well as a human problem. When you leave Hawaii and have an opportunity to visit other cities, I’d like you to look at the radius of the curve of the curb at the intersection. What distinguishes us and what makes us among the most five dangerous cities to live in is that the curve that we have in Hawaii makes it possible to turn right at speeds in excess of 15 miles an hour. There are many intersections that when the light turns green and you step off or try and step off the curb, you can’t even step off the curb because vehicles are whizzing by you turning right in excess of 15 miles an hour.

“So, until we address this problem of the curvature of the curb, we’re not going to achieve a city in which pedestrians are safe to walk. And beyond that, spending money for mass transit will not take people and enable them to walk safely on our streets and intersections.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 81 was adopted and H.B. No. 438, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TRAFFIC OFFENSES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 83 (H.B. No. 422, H.D. 2, S.D. 2, C.D. 1):

Senator English moved that Conf. Com. Rep. No. 83 be adopted and H.B. No. 422, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Inouye.

Senator Slom rose in opposition to the measure and said:

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

“The good news is it doesn’t just single out one cruise line and it doesn’t have to do with sexual offenders. The bad news is that it continues to pick on a growing industry in this state and unfairly requires standards and new standards that do not apply to any other forms of transportation. So in that respect, I think that we should continue if there are any laws that are broken, that we prosecute to the limits of the law anyone in any commercial activity. But in this case here, we can’t support the measure because it is very discriminatory on its face for the cruise industry.

“Thank you.”

Senator English rose in support of the measure and stated:

“Mr. President, I rise in support.

“Well, here we go again. We went through the same argument last year, and again I told the Minority that if they wish to supply to a larger class, then they should introduce a bill to do that, but they didn’t. They had the whole Session to do it and they didn’t.

“This bill is relating to cruise ships and that’s why it’s geared towards the cruise ship industry. As you know, in Hawaii the content of the bill has to match the title of the bill.

“I’m really sorry the Minority did not introduce a bill like that this year because they said they were going to do it last year. I’m so sorry they didn’t, perhaps next year they will.

“Nonetheless, this cruise ship bill is a very good compromise between the House and the Senate on our positions. We have allowed for the continuation of the memorandum of understanding. We have allowed for penalties to be created by the Department of Health for the regulation of the cruise ship industry, and we have conformed to federal laws, which has been an argument along the way, preemption.

“So, I think this is a good beginning to set in place the regulatory framework to protect our oceans, to protect our industry, and to protect the people of Hawaii. I congratulate the House and the Senate members who worked on this measure because it is a good beginning and a very good compromise.

“Thank you.”

Senator Trimble rose to speak in opposition and said:

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

“If this measure were really about public safety and about wastewater discharge, then we would not distinguish between the private and the public sector. It should be noted that most of the pollution that has occurred has resulted from public facilities and that it is far more hazardous to our health if those discharges occur on land than in water.

“So, until we have a comprehensive approach that looks at the public safety issue and does not distinguish between the private and public sector, I’ll be voting against this measure.

“Thank you.”

Senator Slom rose in rebuttal and stated:

"Mr. President, just a very brief rebuttal to the suggestion made by the good Senator from Maui.

"Since 99 percent of all bills that have been introduced by the Minority don't even get a hearing and 100 percent of all amendments that are offered by the Minority are voted down by the same party line vote, I don't know who made a promise last year to introduce a bill, but I'd be very happy to work with the good Senator of Maui if he could deliver the vote so that we could get a good bipartisan measure passed.

"Thank you."

Senator English rose to speak in rebuttal and said:

"Mr. President, a point of rebuttal.

"When we talked about this over the last four years, five years, however long it's been, the same argument has come up and it hasn't stopped the Minority from introducing the same bills over and over and over, and over and over and over. So again, if they want to talk about the larger issue, I would gladly welcome it. But again, the onus will fall on them to put the work together and put the idea together because my job was to deal with the cruise ships, which we did, and it's a good beginning.

"I think in the future we do have to address the municipal waste and all the other issues that they brought up. The point of it is – draft a bill to do so, bring it to the table, put it forward so that we can discuss it.

"Thank you."

Senator Hogue rose to speak in support and said:

"Mr. President, I rise in support.

"I am supporting this particular measure, but I just want to let the good Senator know that we attempted to put a bill together to cover all of these things and in our research we found that most of the areas were covered by federal law, so that kind of stopped the process. So, we did take up your point. We did do all the work and then all of a sudden we ran into that roadblock, and because federal law preempts a lot of it, that kind of stopped us.

"I just want to let you know that we did follow through with your suggestion. In many ways we're on the same ship here. Thank you."

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

"Mr. President, a point of personal privilege.

"You know I'm so pleased that . . ."

Senator Hemmings rose on a point of order and stated:

"Mr. President, point of order.

"I believe the speaker has spoken twice before. Point of personal privilege should not be utilized for speaking a third time on an issue."

President Bunda then stated:

"Senator English, this is your third time. You are out of order."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 83 was adopted and H.B. No. 422, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRUISE SHIPS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

Conf. Com. Rep. No. 84 (H.B. No. 1235, H.D. 1, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 84 be adopted and H.B. No. 1235, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Tsutsui.

Senator Hogue rose in opposition to the measure and said:

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

"This measure, Relating to Travel Allowances, actually relates to us in the Legislature, as does the next measure, which interestingly enough is called Relating to the Legislature, and it has to do with perks. There is already the feeling, the sentiment out there rightly or wrongly that we in the Legislature receive perks. This one will up our travel allowance. The next one will allow our office allowance to go up.

"I think because this perception is so widespread, we as a body need to rise up against it and say 'no' to any perks, perceived or otherwise.

"I was in receipt of a letter in my particular office and I'm sure you all received it too. It was a letter from a local hotel chain offering lower prices to Legislators after the Session is over. I won't be accepting that perk either and I hope none of you who received that particular letter will accept that perk as well.

"So, I'm going to say 'no' to perks, 'no' to perceived perks, and 'no' to this particular measure. Thank you."

Senator Hooser rose to support the measure and stated:

"Mr. President, I rise in support of this measure. Just a brief rebuttal to the earlier speaker's remarks.

"It's clear the earlier speaker is not familiar with many of us who work from the neighbor islands who are forced to travel to serve our communities and oftentimes, as we all know here, we are not reimbursed for that travel. Our offices are here on this island. We are authorized and reimbursed when we come on official business, but if I want to come and meet with a constituent, if I want to come and work on issues, or if I want to come and meet with my office manager, I have to pay my own way over here. I have to pay for my own transportation expenses and the expenses that many members of this Body take out of their own pocket with travel and in doing their business is significant, Mr. President.

"I think the measures being adopted here are modest and deserving, and we work hard and they are not perks. Thank you. I urge my colleagues to vote in support."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 84 was adopted and H.B. No. 1235, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAVEL ALLOWANCES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 85 (H.B. No. 1236, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 85 be adopted and H.B. No. 1236, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition and stated:

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

“As the Minority Floor Leader said, these two bill are actually tied together. Ostensibly, this bill would raise our office allowance so that we can have better communications, but there is no restriction on the expenditure of the allowance, which now is \$5,000 per year in addition to our salaries, in addition to any per diem. And by the way, the Neighbor Island Legislators, to the best of my knowledge, do get per diem additional amounts for travel and everything else during the Legislative Session.

“I think the particularly insidious thing about this is the Legislative Salary Commission raised our salaries last year. They went into effect in January of this year. There was never any vote taken on that. The public never had any opportunity to vote and neither did any of us who would have voted ‘no’ on that provision.

“What people have not been talking about is that this bill does not just raise the office allowance one time, it raises it every time the salary goes up. It’s tied to that. And the Salary Commission raises that are already in place, unless we vote against them, will go into effect every two years. So basically, every two years you are going to see yet another increase.

“The Minority Leader was talking about perceived perks. We do better than the community that we tax, and we regulate, and we restrict. We exempt ourselves from laws and we give ourselves special privileges. And the total cost for all these things are something that the taxpayers have to bear.

“So, for us to stand here, raise their taxes, not do anything about lowering their cost of living, and allow our cost to escalate or even to vote for them as we’re doing in these two bills, I think is unconscionable.

“By the way, the last estimate I had was that the fiscal impact, if we vote today and approve this, would be an additional \$62,500 for the Senate, \$127,500 for the House, or \$190,000 in addition to all the things that we’re getting starting January 18th next year.

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

Senator Espero rose to speak in support of the measure and said:

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

“Most of my legislative allowance goes to communicate with my constituents. My constituents have made it clear to me that they want to know what’s going on. They want to hear from me. They want that dialogue whether it be via e-mail, newsletter, or letter.

“Mr. President, my district also is one of the fastest growing districts in the State. We are getting approximately 500 new homes per year. So, in a four-year term, I’m looking at an additional 2,000 to 2,500 homes that were not there the first time I ran.

“So, Mr. President, this measure is very important for those of us that live in districts that are growing and for those of us that want to maintain two-way dialogue with our constituency and the residents. It’s important that we pass this measure. Thank you.”

Senator Trimble rose in opposition to the measure as follows:

“Mr. President, I rise in opposition to the measure, but I do agree with the previous speaker that being able to correspond with one’s constituents is important.

“I would like the ability to be able to not only send one questionnaire to all my constituents, it would be even better if I could send it to all the residents in my district, but I’d like a sufficient allowance to be able to tell them the results of the survey, and right now I can’t do both.

“But the way I would approach the constituent communications issue is by increasing the franking privilege and that would not necessitate increasing our special allowance. So, for that reason, I’ll be voting against the measure.”

Senator Hogue rose to speak in opposition as follows:

“Mr. President, I also rise in opposition.

“I agree with speaker from the Ewa side that we should communicate. I think that’s a very good idea. In fact, I do that. I make sure that I send out a newsletter along with a survey and then I’m able to mail back responses to those who have responded to the particular newsletter.

“And so, my allowance has been adequate and I know that my office manager has had to work hard to determine that the allowance that we have is adequate with regards to the cost of the postal rates, essentially. And so, she’s had to go out and work hard with the private business sector to make sure that we get the lowest cost available.

“And I think that there’s a larger issue here. It’s not about communication. It’s about the fact that we’re raising the cost of living in the State of Hawaii with further measures here with taxes, etc., and along the line we’re going to raise the price available for ourselves, and I just think that that’s wrong.

“We can communicate. We’ve got to tighten our belt. We don’t need to expand our belt. So, for those reasons, I’ll be voting ‘no.’”

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

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

“Mr. President, I hadn’t planned to say anything, but I just want to note that I believe it is very unfortunate that certain members who are voting against this because they are so principled in what they believe won’t be spending this money to help communicate with their constituents. I feel that’s very unfortunate for that member as well as their constituents. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 85 was adopted and H.B. No. 1236, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE LEGISLATURE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Hemmings, Hogue, Slom, Trimble).

Conf. Com. Rep. No. 90 (H.B. No. 1750, S.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 90 was adopted and H.B. No. 1750, S.D. 2, C.D. 1, 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 Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 94 (H.B. No. 1758, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 94 was adopted and H.B. No. 1758, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT BENEFITS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 95 (H.B. No. 325, S.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 95 was adopted and H.B. No. 325, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 7 (Hemmings, Hogue, Ige, Sakamoto, Slom, Trimble, Whalen).

Conf. Com. Rep. No. 96 (H.B. No. 140, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 96 was adopted and H.B. No. 140, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Whalen).

Conf. Com. Rep. No. 97 (H.B. No. 1317, H.D. 1, S.D. 1, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 97 be adopted and H.B. No. 1317, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Baker.

Senator Trimble rose in opposition as follows:

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

"I think the Department of Human Services needs flexibility in determining what medications are on the approved or authorized list in order to take advantage of the potential application of group purchasing to keep the cost at a minimum. Because of the need for flexibility by the Department of Human Services, I'll be voting 'no' on this issue."

Senator Baker rose in support and said:

"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 in support of H.B. No. 1317.

"The purpose of this bill is to prohibit the Department of Human Services from taking any action or expending state resources in any effort to remove prescription drug benefits from managed care plans that provide health care coverage for Hawaii Medicaid beneficiaries. Managed care plans for Medicaid beneficiaries should offer a broad range of coverage, including hospital stays, medical appointments, and prescription drugs. Removing individual benefit components would result in a fragmented health care delivery system that may result in higher costs and reduced quality of care.

"AlohaCare testified before your Health Committee that they would not be surprised if DHS could get larger rebates than what AlohaCare is getting now, but it would be at the expense of lower generic substitution, lower discounts, more expensive formulary, etc. This could generate higher overall cost to the State. Taking this into consideration as well as the fact that rebate revenue is only part of the total cost equation – discounts, dispensing fees, generic substitution, formulary structure, and coordination with medical services should be included. In approving this bill, DHS does not appear to be considering the entire cost and quality picture and is focused solely on rebate revenue.

"It was also noted in physicians' testimony that Quest health plans have done an excellent job of case management and have provided better and more cost-effective health care than our Department of Human Services ever did. Quest has been successful because a close-working relationship has developed between Quest health plans and providers – focusing on a collaborative approach to managing complex patients. In the past, DHS mechanisms have not been attentive to specific needs of patients. DHS had required pre-authorization for prescriptions which in turn prevented a child or patient from receiving needed medication until the next working day. Such practices do not ensure the best quality care and it would be detrimental to our health care system if such practices were reinstated.

"Overall, DHS has not demonstrated that by removing prescription drug benefits from Quest managed care plans, the State would save money or that better health care would be provided. In fact, the opposite is likely to occur. For these reasons and more, I urge my colleagues to join me in support of H.B. No. 1317."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 97 was adopted and H.B. No. 1317, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 105 (S.B. No. 1420, S.D. 2, H.D. 3, C.D. 1):

On motion by Senator Baker, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 105 was adopted and S.B. No. 1420, S.D. 2, H.D. 3, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOTROPIC MEDICATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

Conf. Com. Rep. No. 121 (S.B. No. 1262, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 121 was adopted and S.B. No. 1262, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAIANAE COAST," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 124 (S.B. No. 212, S.D. 2, H.D. 2, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 124 be adopted and S.B. No. 212, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator English.

Senator Slom rose in opposition as follows:

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

"This bill has changed a great deal since it was first introduced. In fact the original legislative findings material was all taken out. There was a tax credit and now there's a rebate on the use of reverse beverage recycling equipment, which I think is a very good idea, but it still begs the question. We've been under the tentacles of a beverage container deposit tax for the last year. The tax is taking more and more of our income and discouraging recycling. And so, what we really needed, we didn't get this Session – and that was a real open discussion on the recycling tax itself and the relationship to the city and county.

"So, I'm voting 'no.' Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 124 was adopted and S.B. No. 212, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 126 (S.B. No. 708, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 126 was adopted and S.B. No. 708, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 846E," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 129 (S.B. No. 962, S.D. 2, H.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 129 be adopted and S.B. No. 962, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

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

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

"With all of the discussion and the attempts to define prevailing wages, the bottom line is real simple – it's going to increase the cost of construction and increase the regulation, and it is a bill that favors only union type construction and does not favor competition or those smaller contractors.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 129 was adopted and S.B. No. 962, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PREVAILING WAGES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 130 (S.B. No. 1808, S.D. 1, H.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 130 be adopted and S.B. No. 1808, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Slom rose to speak in opposition and said:

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

"For four years now, the business community, in particular the small business community, has said that the number one problem they faced was workers compensation, escalating fraud, escalating cost, problems with their own workers getting adequate care.

"We've had task forces. We had a good bill that came from the administration last year. The bill was gutted – the insurance commissioner, the rights to investigate fraud, were all taken away. This bill has a lot of verbiage, but in fact does not in any way improve the workers compensation law or improve the business climate.

"Thank you."

Senator Sakamoto rose to speak in support of the measure and stated:

"Mr. President, I rise in support, but with concerns.

"On one hand, I believe the administration has gone too far in taking something out of what should be legislative. If my colleague put his hand in my pocket and took something out of my pocket, I would have a problem with that. But I feel it's not right if I just go and take something out of his pocket because I felt he took something out of my pocket.

"I'll vote in favor of this, Mr. President, but I feel like I know that labor, legislators, businesses, providers, insurance companies, administration can work together and can have measures on this Floor that may pass 25/0 if we work together.

"My hope would be that in this interim there can be a continuation of working together to pass measures, not necessarily overturning presumption, but again not necessarily being in the face of employers, because we need to improve things for both employers and employees."

Senator Slom rose in rebuttal and said:

"Mr. President, just a brief rebuttal.

"Maybe some of my colleagues were confused. I'm sure that the good Senator from Moanalua was not suggesting that I would ever put my hand in his pocket, because I wouldn't do that. I think past votes show that. So, I just want to make that clear.

"In addition to that, I want to make sure the conference committee report says the purpose of this measure is to protect the balance in workers compensation. That's the whole point – there is no balance! It's imbalanced. It's hurting businesses. They have come to us year, after year, after year. We've had the studies. We've had the task forces. We've had the blue ribbon panels. They've told us what needs to be done, but we have refused to do it and this bill doesn't do it, and that's why it's a bad bill.

"Thank you."

Senator Hooser rose to support the measure as follows:

"Mr. President, I rise in support of this bill.

"Mr. President, I would argue with the previous speaker that there is attempts at balance and this Legislature, both in the past as well as the present, has listened to business and done what it can in each Legislative Session to make things better for business.

"We continually hear how bad things are, how bad things are, how we don't listen, we don't listen, we don't listen. I know we can do better, Mr. President and colleagues. Workers' compensation rates are too high. We do need to do better.

"But let me just quote some facts. According to the National Academy of Social Insurance, Hawaii's workers received \$1.60 in workman's compensation benefits per \$100 of covered wages. Alaska, California, Maine, Montana, Vermont, Washington, West Virginia, and federal employees receive more than Hawaii workers. Premiums paid by Hawaii's employers have decreased. They have decreased from \$3.91 per \$100 of payroll in '94 to \$2.38 in 2002. Similarly, benefit payments to workers also decreased in both years. While benefits per \$1 in cost remained constant nationally – from 74 cents in '94 to 73 cents in 2002 – Hawaii's fell from 67 cents to 44 cents.

"Between '99 and 2002, premium collections grew at a more rapid pace than benefits – premium collections grew at a more rapid pace than benefits – which increased by 15 percent. Workman's compensation costs have increased as a result of economic growth. More people are working higher wages than the severity of injuries.

"I could go on, Mr. President, but I just want to make the point that the Legislature continues to take workman's compensation reform and improvement seriously and over the years we have made improvements and we're committed to continue to do so. And for those reasons I urge my colleagues to vote in support."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 130 was adopted and S.B. No. 1808, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION LAW," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

At 2:17 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:33 o'clock p.m.

Conf. Com. Rep. No. 133 (H.B. No. 1641, H.D. 1, S.D. 2, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 133 be adopted and H.B. No. 1641, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition and said:

"Mr. President, I support the bill, but unfortunately the bill includes the creation of the non-agricultural park lands special fund. As you know, I oppose all special funds, so I vote 'no' on this bill even though I know there were some late hour attempts to call this special fund something other than special, but it's still a special fund.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 133 was adopted and H.B. No. 1641, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NON-AGRICULTURAL PARK LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Fukunaga, Ige).

Conf. Com. Rep. No. 134 (H.B. No. 1614, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Sakamoto and carried, Conf. Com. Rep. No. 134 was adopted and H.B. No. 1614, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE PERSONNEL," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Hogue, Slom). Excused, 2 (Fukunaga, Ige).

Conf. Com. Rep. No. 138 (H.B. No. 631, H.D. 1, S.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 138 be adopted and H.B. No. 631, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Trimble rose to speak in opposition and stated:

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

"Colleagues, every year we get between three and ten measures that seek to tweak the employee retirement system, and on many of the measures I kind of wonder who it is that we're taking care of this time.

"I note that in part 4 it talks about the possibility of redefining retirement benefits at the time of retirement, as opposed to the time of separation from employment. I think that this could have a substantial cost going forward and therefore I'll be voting against this measure.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 138 was adopted and H.B. No. 631, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Fukunaga, Ige).

Conf. Com. Rep. No. 140 (H.B. No. 1608, H.D. 1, S.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 140 be adopted and H.B. No. 1608, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition and stated:

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

“We have discussed this bill for a number of years now and basically what this bill does is negate the changes that were made under Act 88 in Session Laws 2001, which created the EUTF. Let’s review for just a moment. The idea of the EUTF, along with collective bargaining and civil service reform, emanated from then Governor Benjamin Cayetano and from a report done by the current Legislative Auditor Marion Higa. In that report she stressed the dire circumstances if we continued to allow unabated health care costs for public employees, and she was the one that proposed the idea that there would be a single unified health care plan with certain restrictions for future – not current but future – workers in terms of trying to get health care costs under control.

“The EUTF came about. There were many people that tried to stop it from forming, including the labor unions themselves who did everything possible to either stall it, derail it, abolish it, and then they said it would not start on time, but in fact it did start on time less than two years ago, and it has been successful. But the labor unions have continually fought to remove themselves from any kind of fiscal control and to have their own health care plans. Of course, the taxpayers will still pay for at least 60 percent of their health care plans, but what they have proposed in the past and at present is to cherry pick – to selectively choose the healthiest, the youngest, the best of health employees – so that in fact they get the 60 percent cost from the state and then they go out and negotiate on their own with a better group of individuals, thus lowering the cost that they pay. And one of the sticking points going back five, six years ago was the fact that when the labor unions did receive reductions in payments or premium cost, they did not return them to the state, and in fact they did not account for them. And that was really the reason that the state auditor said that we needed a single, unified, statewide health care plan for all employees. It would have transparency. It would have accountability.

“Now I must say, I have opposed this measure over the years, continuously. One union, the HSTA, has done a better job than other unions in terms of providing some amount of transparency. They have answered certain fiscal questions and in fact they provided some, but certainly less than all information required by the legislative auditor.

“But the way this bill traveled this year was not only to give back the ability of HSTA and its nearly 13,000 members to withdraw from the EUTF and to still deal with the unresolved question of all – all – retirees of the program, but what the

measure evolved into and what we’re voting on right now is a bill that would allow all public employee unions to withdraw from the EUTF.

“This would do several things. It would go against the recommendations made by the legislative auditor. It would have no cap whatsoever on escalating costs and we’d be back in this situation that was complained about five or six years ago. There would be probably less accountability from particularly the HGEA and the UPW unions. And in effect, it would destroy the whole concept of the EUTF, because other employees would say well how come the unions get to carve out their special territory and get reduced rates.

“Mr. President, I’ve heard some union workers complain that their rates have gone up over the years and I would say to them that any person in small business, any small business owner, or any employee of a small business would be very, very happy to at any moment exchange what we subsidize for them, what they get in terms of benefits now and the amount of premiums that they actually pay, because it is a trifling compared to what we in the private sector have to pay and then we have to pay more to support at least 60 percent of the public employee unions.

“So, it was one thing to deal with one union and talk about them because of their record of trying to be at least semitransparent, but this bill is what was fought about all along over that last couple of years – and that was to remove all public employee unions and let them negotiate separately and let them, by adverse selection, pick only the people that they want in terms of saving money. They will save money, the taxpayers in this state won’t.

“It is unfair. It is costly. And again, unless and until I see a change in position from the legislative auditor, who this Body always says that they want to support and they want to agree with and they don’t have any questions about, then I will continue to oppose this measure and I would hope that my colleagues would do the same.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 140 was adopted and H.B. No. 1608, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES’ BENEFICIARY ASSOCIATION TRUSTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hanabusa, Kokubun, Slom, Trimble, Whalen). Excused, 1 (Ige).

Conf. Com. Rep. No. 147 (H.B. No. 1554, H.D. 2, S.D. 2, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 147 be adopted and H.B. No. 1554, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

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

“Mr. President, I rise in favor of this legislation with reservations.

“The intent of this legislation is good. It seeks voluntary leasehold-to-fee conversion. Unfortunately, I think that the good Senator, the Senate Minority Leader, would refer to this as a sham piece of legislation because the amount of money

appropriated is \$75,000 a year in total to handle all the tax credits that might result from leasehold-to-fee conversion.

“Thank you, Mr. President.”

Senator Hogue rose with reservations and said:

“Mr. President, please also note my reservations for the same reason. Obviously, the amount afforded by this bill is going to exceed \$75,000 very quickly.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 147 was adopted and H.B. No. 1554, H.D. 2, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 150 (H.B. No. 1672, S.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 150 was adopted and H.B. No. 1672, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE BUDGET,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 151 (S.B. No. 55, S.D. 1, H.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 151 be adopted and S.B. No. 55, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Tsutsui.

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 151 was adopted and S.B. No. 55, S.D. 1, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO MEAL BREAKS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 6 (Hemmings, Hogue, Sakamoto, Slom, Trimble, Whalen). Excused, 1 (Ige).

Conf. Com. Rep. No. 152 (S.B. No. 294, S.D. 3, H.D. 1, C.D. 1):

By unanimous consent, action on Conf. Com. Rep. No. 152 and S.B. No. 294, S.D. 3, H.D. 1, C.D. 1, was deferred to the end of the calendar.

Conf. Com. Rep. No. 160 (S.B. No. 1889, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Hee and carried, Conf. Com. Rep. No. 160 was adopted and S.B. No. 1889, S.D. 1, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO APPRENTICESHIPS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 161 (H.B. No. 278, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 161 was adopted and H.B. No. 278, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO VICTIM RESTITUTION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 165 (H.B. No. 1745, H.D. 1, S.D. 2, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 165 be adopted and H.B. No. 1745, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure as follows:

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

“Just briefly, I’ve spoken about this bill before. It is the Judiciary seeking to not report to the Legislature. Some of the reports they say are old and they’re not necessary anymore, but I find it troubling that the Legislature, which should be the most open of the three branches of government, really is telling us that they don’t have a responsibility to report and tell us about certain things and certain changes. I think they should.

“I’ll be voting ‘no’ on the bill.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 165 was adopted and H.B. No. 1745, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO REPORTS TO THE LEGISLATURE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 174 (H.B. No. 1548, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 174 was adopted and H.B. No. 1548, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 176 (S.B. No. 1352, S.D. 1, H.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 176 be adopted and S.B. No. 1352, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Trimble rose in opposition and stated:

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

“Colleagues, this measure is no longer about kidneys or organ donors or bone marrow donors. This is about a bill that would make government less efficient. It would make government less efficient because it would interfere with the employer’s prerogative to determine a place and transfer and size of workforce. I believe that if we are going to maintain our workers and employ them as efficiently and fully as possible, we should not diminish the prerogatives of the employer.

“Thank you, Mr. President.”

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

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

“Mr. President, S.B. No. 1352 is probably in its third life . . . I think in its third; it could be fourth. When it originally began, this measure began as one which did away with 89-9D, which is basically referred to as the management rights section of the bill. What we have before us, Members, is what I believe to be a balanced approach to collective bargaining.

“First of all, it was not balanced to try and do away with management’s rights – primarily, the management’s rights to direct employees – and that’s what the original proposal that has now resulted with what S.B. No. 1352, C.D. 1, was.

“What you have before you now is a codification of exactly what collective bargaining is like within the public sector. First of all, there have been provisions of the collective bargaining agreement which have addressed some of these issues. And what this provision says is those provisions of the collective bargaining agreements are valid because management and unions agreed to that.

“The second provision of this bill is that it does not preclude negotiations. It doesn’t say you have to negotiate. It says it shall not preclude negotiations over procedures and criteria of promotions, transfers, assignments, demotions, layoffs, suspensions, so forth and so on. That is the permissive nature of it, which means if both parties want to go there, they can go there.

“But I believe the most important part of this bill is what we call impact bargaining, or in the private sector it’s called effects bargaining, which is simply this – you cannot interfere with the management’s rights to make a decision and to direct an employee. However, what this does say is that management and union will sit down and determine the impacts of an employee. The classic example of this is if we decide to move one whole college to the neighbor islands. The decision is management’s rights. However, how it impacts the employees of this state is something that should be negotiated and the impact of that is what has to be discussed. I think that is what any employer is willing to do, and that is what the state has done.

“The supreme court decision, which has been cited as the basis for why S.B. No. 1352 has come about, actually had that, except the UPW chose not to negotiate. And I think that weighed in when the supreme court made its decision. Impacts bargaining or effects bargaining is common, as it should be, within collective bargaining, and that is the extent of this measure. It simply codifies the practice so that there is no confusion as to what we do in collective bargaining.

“Mr. President, this is a statement of the Legislature to the people who have worked very hard for us, who are members of collective bargaining, that we recognize that these practices have come into question and we continue to affirm the rights of

the union to negotiate over those matters which affect their lives, that impact them due to management decisions.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 176 was adopted and S.B. No. 1352, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 177 (S.B. No. 1729, S.D. 2, H.D. 2, C.D. 1):

Senator Kim moved that Conf. Com. Rep. No. 177 be adopted and S.B. No. 1729, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Kim rose and said:

“Mr. President, I have some remarks I want inserted into the Journal, please.”

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

“Mr. President, I rise in support of S.B. No. 1729, C.D. 1.

“No one has worked harder to improve the operations and the business climate of the Hawaii Tourism Authority than I. In the past five years, two audits were done and the Legislature amended the law to broaden the make up of the Tourism Authority’s Board to address past problems. We continue to work to improve Act 156 and the HTA – under the leadership of Director Rex Johnson – has made many strides to improve accountability and efficiency of the Tourism Authority. I have told HTA that if they correct their problems, clean up their act, and make the changes suggested in the audits, I would then support restoring part of the original percentage amount of the TAT that they were promised in Act 156 of Session Laws 1998.

“This measure starting on July 1, 2007, restores the TAT special fund from 32.6 percent to 34.2 percent, still a far cry from the 37.9 percent promised in Act 156 of Session Laws 1998. Your Conference Committee has amended this measure to add the State Foundation on the Culture and the Arts, Executive Director as a non-voting member. With this addition we now have four ex-officio members on the HTA board. To be consistent, your Conference Committee made all ex-officio members of the board non-voting. We heard from the Hawaii Hotel Association in support of making the department heads on the tourism board all non-voting.

“All voting HTA members are require to go through the confirmation process to be appointed to the HTA board. The Governor appoints the ex-officio members of the board and presently the DBEDT Director is the only ex-officio member with a vote. However, the DBEDT Director no longer serves on the HTA board and has since designated his seat on the board to the Tourism Liaison who is not an agency director not a position, that is, created in HRS and not a position, that is, confirmed by the Senate.

“It is appropriate and consistent to have all ex-officio members that are part of the Governor’s Administration as non-voting board members. This is to help further provide autonomy for the HTA from the many political pressures that

can exist when having to make those hard decisions needed to ensure a thriving tourism industry.

"I urge my colleagues to vote in support of this measure."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 177 was adopted and S.B. No. 1729, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hogue, Trimble). Excused, 1 (Ige).

Conf. Com. Rep. No. 180 (S.B. No. 1257, S.D. 2, H.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 180 be adopted and S.B. No. 1257, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Hogue rose to speak against the measure and said:

"Mr. President, I rise to speak against this legislation.

"The last time I rose I made the comment that in our effort to de-politicize the process we have over-politicized it. The Higher Education Chair indicated that some of those concerns would be addressed in Conference, and in fact he is correct. Some of those concerns were addressed in Conference and I applaud him for addressing them. However, it is still political – still political – this advisory council, which isn't advisory at all because the Governor must pick a Board of Regent from this so-called advisory council.

"It is made up of one member of the President of the Senate, hardly nonpolitical; one member shall be appointed by the Speaker of the House of Representatives, hardly nonpolitical; one member shall be appointed by the Governor, hardly nonpolitical; one member shall be appointed by the all campus council of Faculty Senate Chairpersons of the University of Hawaii, hardly nonpolitical; one member shall be appointed by the University of Hawaii student caucus, hardly nonpolitical. Now we have a couple of nonpolitical types, I think – one member shall be appointed by the Association of the Emeritus Regents, good call; one member shall be appointed by the University of Hawaii Alumni Association.

"So, five are political, two, I think we can argue are nonpolitical. Okay, so it is still political. Now the bill goes on to say, and it's really an attempt here to show that this is nonpolitical, it says, 'The council shall be selected in a wholly nonpartisan manner. Appointees to the advisory council shall have a general understanding of the purposes of higher education, the mission of the University of Hawaii system, and the responsibilities of the Board of Regents. Appointees shall be individuals who are widely viewed as having placed the broad public interest ahead of special interests.' How noble. But who is going to make that assessment that they are widely viewed as nonpolitical and so very noble? Essentially, probably political people are going to make that particular decision.

"For all of these reasons, I don't think that we should go forward with this particular measure. I understand that it is a noble effort to take politics out of the process, however, it doesn't. Further, no one is accountable. Now if we don't like what the Governor has done, ultimately we can make a decision as to whether or not we want to vote for that Governor the next time. We cannot vote for a member of the All Campus Council of Faculty Senate Chairpersons. We, as a public, cannot vote for the University of Hawaii Student Caucus. We cannot vote

for the Association of Emeritus Regents. We cannot vote for the University of Hawaii Alumni Association. So, therefore we're not accountable.

"Noble effort, if this in fact was just an advisory council where the Governor could think about whether or not these were noble and possible appointees, then maybe we could consider it. My understanding is that's in fact what has happened in other states like California and Virginia, which have been noted as being a member of those states that have passed such legislation. But most states have not passed this legislation. And the reason is they recognize that you can't take politics out and that someone somewhere must be accountable.

"For these reasons, I'll be voting 'no,' Mr. President."

Senator Hooser rose in support of the measure and stated:

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

"Mr. President, I would ask my colleagues on all sides of the aisle in the entire room to try just for a moment to close their eyes and take politics out of their message. Some in this room, it seems, see partisan politics behind every door, behind every motive, behind every vote. I would just encourage them just for a second to think about policy, think about doing right for the university, think about how to make our university the best it can be, think about how to maximize the potential that was brought about through autonomy, voted on by the citizens of our state just a short time ago.

"Any advisory group could be perceived as being political – anyone. The categories that are listed in those seven is a great effort and I think a great achievement, if you would, to come up with a solution as nonpolitical as possible and ensuring that the university stakeholders are represented and ensuring that we have a good advisory committee.

"I want to complement the Chairman of Higher Education for the good work that he did along with the Committee to achieve that balance and take out many of the special interest groups that were in there before.

"There's no doubt politics is involved in the decision-making process. In a conversation I had this morning with the Minority Leader, he acknowledged that if this bill was before him and Governor Ben Cayetano was the Governor, he would be supporting the bill. Okay, that's clear. I would encourage the Minority members to support this bill, because in the very near future, we could have a Majority Governor and they will be on the other side unable to implement the measure, possibly.

"This is a good bill. It was earlier stated that it was about Evan Dobelle. This is not about Evan Dobelle. The origin started before the fiasco with Evan Dobelle and the regents.

"When I first joined the Senate, before I even ran for office, Mr. President, I was following politics in the Senate, the State Legislature before Governor Cayetano, in an age when cronyism and allegations of abuse of power were rampant in the media. I decided to get involved because I didn't like that, regardless of the party – Democrat or Republican. Hiring your cronies, appointing your friends to positions of power regardless of qualifications is something that I don't support.

"One of the first actions I had to take in my first Session was to review and approve advise and consent on a number of regent appointees. I believe four out of six were heavily politicized, major donors to the Governor's campaign, situations where the husbands and wives had also been appointed to positions of power. On top of that, two of the

nominees flunked the interview, did poorly, weren't prepared and we voted against those nominees. And I left that meeting thinking there's got to be a better way to do this. There has got to be a better way to ensure that we get high quality appointees, minimize the politicization of those people and do what's best for the university.

"A short time after that, Mr. President, I received a policy brief, maybe because I was a member of the committee from the National Association of Governing Boards and Colleges. The policy brief basically recommends best practices for how regents are selected in universities across the nation. It's the recommendation of the organization that is charged with giving advice and supporting and providing continuing education to trustees in universities all over our nation. This recommendation basically is reflected in a bill that we have today and the previous constitutional amendment that we passed last week.

"This bill is about making the university a better place. Again, it's about perpetuating autonomy. It's about good public policy. I think that recent events of last Friday, for one thing, combined with the Evan Dobelle fiasco and other instances, present convincing evidence that we need to do this better. There needs to be a better way to do it and to find good candidates and to instill faith and confidence in those candidates, and this bill, I believe, does that.

"The bill simply has an advisory commission of seven people and the previous speaker pointed out some of the requirements, but it's individuals who are widely viewed. We can mock and make fun of the words, but the truth and the intent of the bill is that we find these people. I, for one, have faith and confidence in the Senate President and the Speaker of the House and in the Governor among three of the seven that they would do their best to find individuals who are widely viewed as placing the broad public interest ahead of special interest and have achieved a high level of prominence in their profession and are respected by their community.

"This commission again can go far to re-instill faith and confidence in the process. It develops a system and a process. It promotes advertising in looking for the candidates throughout our state who are best and most able to serve the university, not just among our friends and co-workers. The advisory commission will screen and qualify these candidates and make a nonpartisan and fair and independent recommendation to the four people for the Governor then to choose and the Senate to then advise and consent.

"Again, this is best practices. This is good policy. This will make our university a better place and I encourage my colleagues to vote in support. Thank you."

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

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

"Those were lofty words by the last speaker, the good Senator from Kauai, and I love it when he waves the paper, which he's waved three times before, about best practices. And as a matter of fact, he's given this Senate misinformation in the past.

"Speaking about the State of Virginia, specifically, and the Governor there, Governor Warner, what he's neglected to tell us honestly is that in Virginia and in these other states specifically, the Governor is not required to pick from the list that comes from the advisory council. But this bill does that, and its primary focus is to further erode the decision-making of

our Governor now. That's what a number of bills we were talking about all Session do and this is the last great remaining bill.

"Now, he advised us to close our eyes. I'm sorry, Mr. President, I just couldn't do it, because every time I close my eyes here, I find I have less money – either there's been a tax increase or something else. I wouldn't do it.

"And when we talk about non-politics or why some of us see politics in bills like this, do the names Ted Hong, John Kai, Dylan Nonaka mean anything in this Body? If that wasn't politics – raw, brutal and crude – then nothing else was.

"What the proponents of this bill really want is a handpicked group of people that will pick people like themselves that will think like them, and walk like them, and talk like them, and vote like them. That's what they want and that's why this bill is bad.

"If it said there would be an advisory council and the council could present names to the governor as in the case of other councils that we have, that would be one thing, but this bill does not do that. And the good Senator from Kauai knows that no matter how many times he shakes his papers. It forces the governor to pick from that list.

"We talk about not having politics. We talk about Evan Dobelle. Let's talk about Evan Dobelle. Did Evan Dobelle come on the scene because we didn't have a candidate advisory council or did Evan Dobelle get picked because half of the regents were Democrat appointees of the former Governor?

"And another thing, I certainly am not privy to any conversations that were had by the good Senator from Kauai and the Minority Leader, but I would be abashed if the good Senator from Kauai were telling the truth that the Minority Leader said, 'oh yeah, if a Democrat Governor, if Governor Cayetano was here, we would support this bill.' The Minority Leader doesn't talk like that. He doesn't act like that. He doesn't vote like that. In fact, you Democrats laugh at us because we vote in opposition to our Republican Governor if it's on principle. If I voted against something that Governor Cayetano did because I spoke and said it was wrong and the current Governor would propose the same thing, I would still vote against it and have voted against it and so have the rest of us. So, I don't know about the conversation, but I do know about the veracity of some of the evidence, the so-called evidence that's been presented here.

"This is a political move. It's a direct attack on the Governor. It's direct attack on free speech. It's a direct attack on real diversity. The supporters want to have everybody, as I say, that looks alike, sounds alike, votes alike and then we'll be happy. But how will that improve our university. The answer is – it will not.

"If we have more open hearings, if we have more discussion, not behind closed doors, if we have people that stand up and say why they oppose an individual, for example, then we'll have better candidates and we'll have a better university. But this bill goes in the opposite direction, and I urge a 'no' vote.

"Thank you."

Senator Hemmings rose to speak in opposition to the measure as follows:

"Mr. President, I rise to speak in opposition to the bill.

"It seems my name has been bandied around, regarding this bill, considerably. I hope the Majority Party will notice that I've been sitting on the sidelines for most of the debates today for a very simple reason –this Senate and this Legislature, but more specifically the Majority Party, has sunk to new lows regarding ethics, regarding honesty, regarding politics.

"We've debated over the last several weeks some of the ethics problems that you face in the Majority Party. In the wake of ethics training, it seems there's been a record amount of unethical behavior. That's politics, Mr. President.

"I'll place that unethical behavior not at the foot of this Legislature, but at the foot of the Majority Party and the Senators who signed letters . . ."

Senator Hanabusa interjected:

"Mr. President, point of order. Is this speaker speaking to the merits of the bill?"

Senator Hemmings then said:

"Yes, I am. The merits of the bill which were so widely discussed . . ."

President Bunda then interjected:

"Senator Hemmings, could you keep your remarks germane to the bill, please."

Senator Hemmings continued:

"Mr. President, the politics addressed by the good author of this bill and the Senator from Kauai are evident and I reserve the right, under the terms of freedom of speech and open and free debate, to state my position, Mr. President.

"I think the good Senator who is the Chairman of the Judiciary Committee would respect those rights considering the free and open discussion we've had all day long regarding different bills. In fact, one Senator earlier this morning got up and gave a speech on almost every bill on the agenda today in the budget.

"This is political, and I did say that this morning. It's extremely political. Why? Because there's not one shred of evidence that any of the appointees of the good Governor Lingle have been involved in any unethical or unreasonable behavior in their tenure as Board of Regents. And yes, those are the Governor's friends who she appointed. Yes, they did help her on her campaign. And yes, they deserve to be on the Board of Regents because of their qualifications as prior nominees had. The difference is political.

"One of the prior Board of Regents, who was a major contributor to the previous administration, also is a contractor who built a building and then tried to get the University of Hawaii, through his Board of Regents position, to lease the building for his own personal profit.

"Evan Dobbelle is an issue, quite frankly, and the Majority Party Vice-President of the Senate and a good Representative from the Majority Party wrote a very scathing article about how Evan Dobbelle was, quite frankly, dishonest and how he spent taxpayer's money and was spending too much money. It was political how Evan Dobbelle got his job. The prior very political Board of Regents had a search committee go out and find three candidates for the President of the University of Hawaii's position. Under the leadership of the prior head of the Board of Regents, none of those three were selected. Evan Dobbelle was

selected. It seems he was a close personal friend and had ties to a highly touted private sector business leader that is often mentioned to possibly run for political office someday.

"So, the accusation that my position is political is 100 percent correct. And in closing, I'd like to say it is because of politics as demonstrated by deeds, not by idol words on this Floor. The Majority Party's prior record and the politicization of the Board of Regents stinks. There's not one shred of evidence that this Governor has appointed anyone who has had a devious or less than an honored record as trustees.

"In fact, when Evan Dobbelle was terminated, it was done by half the trustees from the Cayetano Administration appointees and half the trustees from the Lingle appointments, showing that sometimes good people can make good things happen.

"This bill is political. If this was such a good idea and if it were something that the university association around this country has been advocating for 20 years – a simple question, why wasn't it done 20 years ago? It's done now because this Legislature, the Majority Party, not the Minority, has done everything they can to usurp power from the executive branch of government for one simple reason – because that Governor happens to be Republican.

"Quite frankly, Mr. President, I am absolutely stunned by the arrogance of the Majority Party who thinks that we're supposed to be members of the Minority Party Republicans and go along with you all in this. They're stunned that we stand up and speak against bills. They're stunned that we don't rollover and play dead on the initiatives. They're stunned that we vote against tax increases and don't go along with the Majority Party's monopoly practices and the way they conduct the business of the people and the way they lynch good people stepping forward to serve on the Board of Regents for no other reasons than petty politics.

"In closing, my vote is political, and I'm a politician, and I'm proud of the party I represent, and I'm voting 'no' against this bill. Thank you."

Senator Hee rose to speak in favor of the measure and stated:

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

"Mr. President, this is a good bill. It seeks to balance the political nature of the appointments. It seeks to place stakeholders as part of the Citizen's Advisory Council. It gives the students a voice in the selection process. It gives the faculty senate a voice. It gives the Association of Emeritus Regents a voice. It gives the Alumni Association a voice. It gives the Governor a voice.

"It requires the candidates to disclose any existing or anticipated contracts with the university or any existing or anticipated financial transactions with the university to take politics out of the equation. It requires publicly advertising pending vacancies and actively soliciting and accepting applications of those who wish to be considered to be a regent. And finally, it leaves to the Governor the powers that she has presently – and that is to make the appointment. It does not usurp that power.

"I stand to ask the members to support this legislation. Were I here earlier to hear some of the other speakers, I would respond to them, but unfortunately, Mr. President, I wasn't. But I will say this, the previous speaker takes tremendous license on what he believes at least I feel. I frankly am not disgusted that he votes the way he does. I'm not disgusted that he feels we have some animosity to the Governor. I'm frankly not

disgusted at all. I will leave the clichés and the obnoxious comments to speak for themselves.

“I urge my colleagues to support this measure.”

Senator Trimble rose to speak in opposition and said:

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

“First, I’d like to thank the Chair of the Higher Education Committee for the work that he has done this Session. I believe that it is possible, however, for reasonable people to disagree.

“There are two points I’d like to make. The first point is that the University of Hawaii needs to be accountable to somebody that is elected, and that person should be the Governor. This bill does not do that.

“Second, this is not an advisory committee because it does not merely suggest names for consideration, but it mandates that one of those suggested names is selected.

“And since I can’t count to two very well, number three, I think in the long run what will happen is that the university will only be accountable to itself. I do not think that is a desired result.

“Thank you, Mr. President.”

Senator Baker rose to speak in support of the measure as follows:

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

“I believe since we granted the university autonomy, that we have spread out the accountability for the university. The Legislature provides public funds. There’s some accountability to the Legislature. The students provide other funding through their tuition. There’s accountability to the students. The Governor ultimately appoints the Board of Regents. There’s accountability there, as well.

“What this measure does is not clip the power of the Governor. She still has the power to appoint. What it does is to try to elevate the selection process to a little bit higher plane similar to what we ask for judges when we use the judicial selection process. I think this a fair process. It’s an idea whose time has come, and I urge my colleagues to vote ‘yes.’”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 180 was adopted and S.B. No. 1257, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 182 (H.B. No. 384, H.D. 2, S.D. 2, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 182 be adopted and H.B. No. 384, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition as follows:

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

“While I do realize that it’s been quite some time since the fees have been adjusted for attorneys, I don’t know of too many attorneys who are homeless or who are struggling, particularly in this community. There is an abundance of work and an abundance of lawsuits.

“This goes as part of their responsibility as attorneys to serve as court appointed counsel. I think we could all support a reasonable increase, but this bill basically doubles – doubles – the fees, the schedules, the caps for certain cases and particularly felony cases, and I think that that is about 50 percent too much.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 182 was adopted and H.B. No. 384, H.D. 2, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ATTORNEYS’ FEES FOR COURT APPOINTED COUNSEL,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 183 (H.B. No. 1378, H.D. 1, S.D. 2, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 183 be adopted and H.B. No. 1378, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak in opposition and said:

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

“I supported this bill. This was a good bill. It was a necessary bill and then all of a sudden it looks like a lot of people got cold feet, particularly after reading two columns by a local newspaper woman who of course failed to disclose that she had a very major conflict of interest in this area of TROs and divorce and all of that. I think that it’s unfortunate that the Senate, and particularly the proponents, would yield to the pressure from one individual when there was a demonstrated need to bring a balance to the TRO process, particularly as it relates to Family Court.

“There was more than just anecdotal evidence about the abuses that individuals went through, both men and women, in the overuse of TROs that had nothing to do with abuse, domestic or otherwise, but was a weapon, a very lethal weapon in the hands of those seeking divorce.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 183 was adopted and H.B. No. 1378, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE JUDICIARY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Slom, Trimble).

Conf. Com. Rep. No. 185 (H.B. No. 1747, H.D. 1, S.D. 1, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 185 be adopted and H.B. No. 1747, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in support of the measure and stated:

“Mr. President, I rise in support of this bill.

“I know that the good chief executive of the Campaign Spending Commission was reportedly saying that this is half-a-loaf, and half-a-loaf is better than none. However, he did not disclose whether that loaf had been previously frozen or not. (Laughter.)

“In addition to that, this bill requires that all of us come into the twenty-first century and file electronically our reports. Now, some of us have been brought kicking and screaming into the twenty-first century, but we begged him years ago, we begged Mr. Watada, ‘Please, Mr. Watada, set us Mac users free. Allow for the Mac use of filing.’ And he promised us, this man made a promise, and to date there is no way of using Mac. Now, we do have a bipartisan Macintosh office here, which is very, very tough. And I call you out sir, Mr. Watada, do your duty. Let us Mac users be free and you’ll have three-quarters of a loaf. (Laughter.)

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 185 was adopted and H.B. No. 1747, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CAMPAIGNS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 186 (H.B. No. 1309, H.D. 2, S.D. 2, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 186 be adopted and H.B. No. 1309, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

Senator Slom rose in opposition and said:

“Mr. President, I rise in opposition to this travesty bill.

“I noticed, interestingly enough, it is put at the end of the non-fiscal calendar, which means to the layperson that it has nothing to do with finances, that there’s no appropriation, that there’s no monetary liability from the state. And yet, what are we seeking to do? Well, after months of discussion and compromise and conferencing and arm-twisting, we are about to pass onto the counties the ability to raise their general excise gross income most regressive tax by 12½ percent, from 4 to 4½ percent. And members of the Senate and members of the House say, ‘We’re not doing it. It’s not the state. We’re just enabling the counties to do it.’

“Other voices have said this is just an extension of home rule. This has got nothing to do with home rule, because in this bill we’re telling the counties, and specifically the City and County of Honolulu, what they must do. They must use the money to build a rail to nowhere. They have given us no information about a rail, how it’s going to operate, where it’s going to operate, scheduling, total cost, operating expenditures, maintenance expenditures, or anything else. All they’ve told us is they want the money and they want the money now. And sure there are some caveats here, and there are some restrictions, the City and County of Honolulu and the other counties have until December 31st to act, but who is allowing them to act? Who is forcing them to act? We are, in the Legislature.

“And at one point, at least we were honest. The Senate had a proposal to just simply raise the tax 25 percent as a state tax and then we would do what we always do with the counties – we let them come beg hat in hand and give them some money. But the final version that we are to vote on right now is a 12½ percent increase of the most regressive tax, a gross income tax, not a sales tax, which is going to affect every citizen in this state.

“Now Mr. President, I heard the other night from the Chair of the Higher Education Committee that we certainly can’t overlook overwhelming reports, faxes, e-mails and so forth. Here are my overwhelming negative responses in the last week. I want to see your piles. I’ll show you mine, you show me yours. Here they are. All of these citizens from different walks of life saying we don’t want, we cannot afford a general excise tax hike. Here they are.

“In addition to that, Mr. President, if you’ll allow me just very briefly a couple of very specific comments. This comment is from Andy Mertz, a small business owner, who says, quote, ‘The excise tax is harsh. There is a trail of tears. I am standing and speaking in place of my ohana and kuleana. My family of thirteen, including parents, grandparents, sisters and brothers, and now nephews and nieces have all moved away from our island home. So have many of our kamaaina friends and their families and their professions and their small businesses moved also. I am standing as witness to their trail of tears and their deep sadness. Make our Hawaii livable. Reduce the excise tax on our people.’ Andy Mertz is up in the gallery. Would please rise. Thank you, Andy. (Mr. Mertz rose to be recognized.)

“Also up in the gallery is a gentleman that owns a small business that many of you are familiar with, particularly us Mac users, the Macmouse club, Big Mike. And Big Mike points out . . . stand up Big Mike. (Mike rose to be recognized.) Let’s see if you’re really big. Yes, he’s big. Thanks, Big Mike. (Laughter.) Big Mike says that the tax is already inherently unfair because he faces competition from online and out-of-state competitors, and by increasing the tax by 12½ percent, you exacerbate that unfair competition and make it harder for him and his employees.

“Also up in the gallery, we’ve got Bobbie Slater who many of you know is a premier jewelry designer in this community. She says, quote, ‘This is a dishonest tax because people cannot see the full impact. This has been a dishonest process because the opposition was promised open debate and then they refused. This is a dishonest tax because it has nothing to do with home rule.’ Bobbie Slater would you stand up? Are you still here? (Ms. Slater rose to be recognized.) Thank you, Bobbie.

“I have many, many more, but I have one more, though, that I’d like to read. Quote, ‘I am opposed to this increase in the GET with every fiber of my being. According to the tax foundation, this conference draft version will cost my family \$450 a year. I cannot afford this. I am on a fixed private pension that has no cost of living increases. Unfortunately, I do not have one of those generous public employee pensions with its cost of living increases. And in 14 years I have not had a cost of living increase in my pension. I wish the Senate was as concerned with my financial welfare as they are of the state employees. I am a member of Hawaii Kai Neighborhood Board No. 1, which last week passed a resolution opposing the increase in the GET by a vote of thirteen to one.’ Bob Speck, could you stand up, please. (Mr. Speck rose to be recognized.) Thank you.

“Mr. President, colleagues, where is the support for this coming? Where is it coming from? If you ask people, they are already overtaxed, overburdened. In mid January when we started this Session, we promised them tax relief. We said, we

would help take care of the least among us and we haven't done that. And the GET is the cruelest tax because it hurts the least among us the most.

"We've talked out of both sides of our mouth. We know this is a major tax increase. We know this has fiscal implications because the state is still going to collect and still going to be responsible for expenditures in administering this tax increase. And once it goes to 4½ percent, since all of the proponents have said they needed at least one percent to go up to five percent, how long will it be before it goes to 5 or 5½ or 6 percent?"

"We wonder why we're talking about homelessness. We wonder why the people in the food bank call on us to give more and more food because people can't afford it, and yet this tax taxes food, medicines, rents the basic necessities of life. We talk out of both sides of our mouth and we say we're representing the people; we want to do the people's work. We talk about finding a traffic solution, and while I certainly support the problems of my colleagues on the Leeward side, those of us on the eastside, we have traffic problems too. We all have traffic problems.

"There have been options and there have been alternatives and they have not been followed. We haven't tried them. The easiest thing would be to try them because they're quick and they're less expensive. Try them and if they don't work then you can say, look, we were open; we did it; it didn't work. But no, instead we're going to base all of our hopes on a leap of faith, I think this gentleman said. A leap of faith, take a leap of faith, take the leap of faith with your own money, not with the taxpayers' money, not with the families that are struggling. People are homeless." (Applause.)

The President interjected:

"Please refrain your applause."

Senator Slom continued:

"This is a very serious matter. We've debated it for a long time and if, if there was really community support for a rail transit that was well defined and that would actually solve our problems, then those of us that oppose it could be looked at as obstructionists. But all of the debates, all of the surveys, the surveys show that 70 percent or more of the people don't want this tax increase, cannot afford this tax increase. So what are we doing here necessitating a tax increase?"

"And if we go on the basis of overwhelming position, here it is! It's overwhelming in opposition! What is our standard? What is our benchmark? One day it's overwhelming if it's somebody we don't like, another day it doesn't matter if it's overwhelming if it's an issue that we like. We can't have it both ways.

"Colleagues, there still is time to vote 'no' on this measure. There still is time to listen to the people that have sent us here. There is still time to find a legitimate affordable transportation option or options, but this is not it.

"I urge a 'no' vote on this measure." (Applause.)

The President stated:

"Order in the Senate, please."

Senator Inouye rose to speak in support of the measure and stated:

"Mr. President, I rise to speak in favor of H.B. No. 1309, C.D. 1.

"This bill allows Hawaii's four counties the option of imposing a general excise tax surcharge of one-half percent up to 15 years for transportation improvements as the Senator from the 8th District remarked. None of us wants to raise taxes. In this case, however, the need for this surcharge is clearly stated – the need for a rail transit system for Oahu Island.

"On Hawaii Island, we have our own transportation problems. My colleagues from Maui and Kauai need to address their transportation problems if their counties choose to do so.

"Approximately seven million annual visitors impact the state's infrastructure. The general excise tax is one means for our visitors to contribute for a transit system.

"Governor Lingle has voiced her support for allowing the counties to determine the use of these funds. The City and County of Honolulu has drafted preliminary plans for a transit system.

"We neighbor islanders recognize that three-fourths of the state's population resides on Oahu – generating the lion's share of the state's economic activities from the visitor industry to government spending.

"As Chair of your Committee on Transportation, it is clear that traffic congestion on Oahu is an inconvenience. It is negatively affecting the quality of life and economic productivity of our state. The Oahu Metropolitan Planning Organization estimates that in the not-too-distant future, commute times will double on Oahu without major improvements. Rail transit is one solution to Oahu's traffic problems. It will accommodate sensible growth and provide a viable alternative for commuters who now use the existing highway network.

"Mayor Hannemann, Honolulu Council Chair Dela Cruz and Transportation Chair Garcia agree that the stars are aligned for rail transit and Honolulu's last chance to keep this island from gridlock. Mayor Hannemann projects a completion for an alternative analysis and environmental impact statement by the end of 2006. A request for proposals will be issued by September 2007 and ground could be broken by the spring to 2009. This appears to be a realistic and achievable plan that takes into account the many millions of dollars in studies and plans that are completed.

"In this 2005 Legislative Session, we thoughtfully deliberated our traffic problems. We also painfully deliberated the impacts of raising taxes. As the Islands continue to grow, there is a need to develop adequate infrastructure. In good planning, infrastructure supercedes development. What we do today will shape the destiny of our beloved Hawaii. Therefore, I urge my colleagues to vote for H.B. No. 1309.

"Thank you, Mr. President."

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

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

"Congestion is a reflection of prosperity. If we really wanted to solve the traffic problem, all we need to do is keep raising taxes. (Laughter.)

"If we look at the characteristics that are necessary for a transit system to be successful (1) we need policeman we can

see; (2) we need streets that are well lit at night; (3) we need storm drains that drain so that when it rains you can walk without getting inundated by a wave from a passing bus or car. We do not have these things today and there is no reason to suspect that we will find the means of having these things in the future when we're spending all of our money on a fixed guideway system.

"The next thing to consider is what are the experiences of communities that have built fixed guideway systems? They lose money. The bus systems also lose money. So how do they react when both the several billion dollar fixed guideway system is losing money and the bus system is losing money? They cut back on the bus system or those portions of the bus system that don't feed the mass transit system. Is that something we want to look forward to for the residents of Windward and Mililani?

"The third thing we should consider is that for a fixed guideway system to be successful, it needs to be able to connect highly populated, highly densely populated locations at each end. Yes, Waikiki is densely populated. Yes, the University of Hawaii is densely populated. Yes, downtown is densely populated, but the other portions of our island are not as populated. It's like building a shopping center and instead of having an anchor at both ends of the shopping center and having people flow between the anchors, having a shopping center with only one anchor.

"Colleagues, I was amazed when a Congressman flew into town and testified that if only we would raise our taxes then he somehow would get our position in line from something at more than 200 to be close to the front. I think that is not something that we can have a lot of faith in. That assertion is not something we can trust or rely upon because, one, he is a Minority member in Congress, and number two, he is of a different party than the President. And quite frankly, colleagues, regardless of what you say, I know what it feels like to be a Minority member. (Laughter.)

"So colleagues, when you think about it, a fixed guideway system is going to have a dramatic land use change implication that was so clearly addressed by the good Senator from Kaimuki, and I hope you remember his words. This system is only the beginning of increasing our taxes, and it will build something that you will not use but it's something that you hope some other driver will give up his car to use.

"Colleagues, vote against this tax increase. Thank you."

Senator Espero rose in support of the measure and said:

"Mr. President, I would like to rise in support of this measure.

"This tax increase proposal that we're looking at and the ability to use it to finance a rail system, these are two of the most important issues that we're discussing this Legislative Session, and in my opinion, this decade.

"We had an opportunity this Legislature and the City Council fourteen, fifteen years ago in the early 1990s to build such a system, and unfortunately the political will was not there. The proposal and effort failed and the only thing we can say now is that traffic congestion is worse fourteen, fifteen years later. And the solution, unfortunately, is not insight today. There is none.

"Now, the good Senator from Hawaii Kai did mention let's try to look at all the solutions and options that are out there, and I agree with him, and a rail system is one of them. But we have

tried all of those other options. We have looked at the zipper lane and the zipper lane is good for people who are coming from West Oahu into town, but do you know that when you have a zipper lane you are closing two lanes that are going west to West Oahu? So in the future as we build West Oahu, because individuals have said we should build this job center out there, and we are doing that through Ko Olina, through Kapolei, through UH West Oahu. We are looking at building jobs in that area, but with the zipper lane, when people start driving to go west to those jobs, two lanes will be closed and right now we only have one lane going to West Oahu in the early morning. Can you imagine what that's going to be like in 25 years when that is a strong economic engine for our area?

"We've looked at contra-flow – contra-flow is working on Nimitz. I have used it on some occasions and I believe in Hawaii Kai they have used it, but there is still traffic. We looked at road widening. We tried to widen all the roads where we can. We're widening Fort Weaver Road now. We've talked about building new roads. We're building a \$120 million north/south road in Kapolei in the Ewa Plain, but that's not going solve the problem. That's not going to take care of the traffic congestion that we're all dealing with.

"We've tried vanpooling, carpool lanes, special carpool lanes on the highways and we still have traffic. We've tried a ferry system, a \$5 million ferry system that was funded by the federal government some time ago – the Wiki Wiki as we called it. Unfortunately, that didn't have the results that we were looking for. We've talked of telecommuting. Our small businesses and big businesses can take the lead in telecommuting, but it doesn't seem to have taken off. The effort is not there and even government has talked about it but it just doesn't seem to work.

"For the last ten, fifteen years since the last failed effort, we have made a little progress. But quite frankly, in my opinion, we have not made enough. Transportation and the traffic congestion on Oahu is one of the big issues that at this time we do not know how to solve it. We're going to try to with the rail system, but the rail system in itself will not be the final solution.

"This is a project for the future, Mr. President. Some of us sitting here may use it, some of us may not. But what's most important is what will we be able to leave our children 25 years from now and 50 years from now? For some, that may be far off and they're going to say I'm going to be dead by then, why even bother. But it's going to be a stark reality when you talk about the 250,000 people that was reported at a recent OMPO meeting who will be living on Oahu, new residents by the year 2030 – 250,000 people. And if we don't have a rail system or some type of people mover, where are those people going to be driving their vehicles? Where are they going to be parking their cars? And likely, most of those residents will be living in West Oahu and Central Oahu, Mr. President, in our neck of the woods. And those corridors H-2, H-1, and Middle Street, you can't widen that.

"Now, you could do what some of the opponents of rail say, let's double-deck the highway and let's put in a toll road. Mr. President, in my opinion, that's not going to work. Eventually, that toll road, that double-deck road is going to be congested and that does not stop the traffic when there is an accident. What happens if there is an accident on that toll road? You're delayed two hours just like you are today. What happens if it rains and there's lightning and thunder? That seems to make people slow down and stop. What happens when there's debris on the road or a flat tire? People slow down.

"With a rail system, we are looking at building a system that will be efficient, that will get people from point A to point B with no delays, high tech, and it will be an option, only an

option, for us to use. But you won't be able to sit in traffic and say, what has government done for me? Why can't I get from point A to point B in a timely manner? If we have a rail system built, you will be able to get from point A to point B, but you may have to adjust your lifestyle. You might have to change your travel pattern. I know I will not use it five days a week, but I can see myself using the rail system two or three times easily. And on weekends if I want to go see a UH game or do something in Waikiki, I'd be more than happy to hop on a rail system, come into town, and drive back.

"Now, there were also some comments on why should I pass this? I don't even know what it looks like? It's a train to nowhere. Again, comments from our good Senator from Hawaii Kai – it's going nowhere. This is legislation just to continue the process to build the rail system. We are not the final decision-makers, and although some people have been laughing at the term 'enabling legislation,' that is exactly what this is.

"I've spoken to our Mayor, our Councilmen and I've told them, if this bill passes, it is now in your court like it was in 1992. You must come up with the routes and you must sell the people of Oahu. You must come up with the system, the plan – high tech, heavy rail, light rail, monorail, maglev. There are many options out there. Many people are watching us and they have systems for us and all of those details, all of those specifics will be coming out at the city council level and it is there where they will make the final decision.

"This is so important that we cannot stop it. And for the good Senator from Waikiki who talked about this is not a moneymaker, of course it's not a moneymaker. Our taxes – half of our budget goes for education, lower education, higher education. We're not there to make money. We're there to take care of the needs of the people. Our money goes, our taxes go for the environment, but it's not there to make money.

"This is not a for-profit venture. The money we raise is not to pocket, to put money in people's pocket or government's pocket. It's to help the people of Hawaii. This is an investment, Mr. President. That's what this is. It's an investment in the future and we are going to look at this very closely in the next six months because I believe our residents demand it. Whether they are from the neighbor islands or other places, they demand that we look at this very carefully and we are looking at this very carefully. This is not any final decision. The city council knows the task at hand. I know they are up to the challenge and they are going to make the important decision. And I hope that my colleagues here today will see that.

"We have to have some vision. We have to look at what our children will be utilizing in 25 to 50 years. I have two sons, a 20- and 21-year-old, and I'm saying this is what I'm going to try to do for you. We need to educate our keiki in the future that we will have a transportation system for you that you will be able to use so that you may not need a vehicle. We'll make some adjustments to the buses if we can. We'll have a feeder system. We subsidize the bus to the tune of \$100 million a year or so, and we will probably have to subsidize this, yes. But that is what we do here. We have to take care of this island.

"For everyone who complains about all the bad things that are happening in this state and all the bad things the Majority Party has done, well, if it's so bad here, why do so many people want to live here, Mr. President? Why do so many businesses want to come here and open businesses? It's because it's pretty good here, Mr. President. And it is our task to make sure we continue the tradition, which the government officials from the past and the policymakers and decision-makers have done. We

have to continue and make this state the best that it can be and the transportation infrastructure is so crucial. It is so important that instead of just saying let's forget this, who cares about transportation, let them figure out some other way, we need to look at this tax increase to pay for a rail system and we need to look at the possible ramifications of billions of dollars being interjected into our economy.

"Not much has been said about that, but the billions of dollars are going to be paying for supplies for construction, for truckers. It's going to be putting people through school, paying mortgages, jobs, economic development. This is likely the largest public works project in the State of Hawaii and I urge my colleagues to pass H.B. No. 1309.

"Thank you."

Senator Hogue rose to oppose the measure and said:

"Mr. President, I rise in opposition and I appreciate the impassioned words of the previous speaker. He spoke eloquently about his side.

"I agree with him that this is an investment in our future. In fact it's an invest in our future taxes. That's exactly what it is. That investment in our future taxes will go up and up and up if the vision that the previous speaker has comes true, because it's the only way that it can be funded.

"I have four children. I'm really worried that they're going to be able to live here in this beautiful state that we all love so much. My feeling is that they will go away where the jobs are. They will go away where the taxes are lower. They will go away and they'll only come back to vacation here because it's such a beautiful, beautiful place.

"Has anybody thought about – because I haven't heard it talked about here on the Floor – what this fixed rail or light rail or guideway or train or whatever, what it's going to look like? How is it going to work? I have that question asked of me all the time. Well, where is it? What exactly are they going to do? I said, well, haven't you been reading the newspaper? Well, I'm so busy and most people are so busy because they're out there trying to get enough money to pay the taxes that are constantly going up. But what is it going to look like?

"Have you ever gone out on Fort Weaver Road? Have you ever tried to travel . . . I know the good Senator from out there travels it quite often both ways. Man-oh-man, is it a busy place. In fact I'm going to be going out there tomorrow to do an MC of a charity golf tournament, and it's tough to get back and forth on Fort Weaver Road.

"Let's just assume that we raise the tax and we build this light rail. That means that the people that are out there will have to still spend 15, 20 minutes, a half an hour or more trying just to get to the light rail station, then they're going to have to park their car, then they're going to have to wait a period of time to take this light rail or train or guideway or whatever that is marching its way towards, apparently, I'm guessing, say Mapunapuna, and maybe that portion of the trip will be very relaxing, maybe it will only take a few minutes, maybe it will be quicker than going on the H-1 during that particular time. But now when they get off, now they're going to have to wait for buses at the other end. They'll have to wait for buses, they'll have to wait for the particular bus that takes them wherever it is they need to go, whether it's the university or downtown or Nuuanu or East Honolulu, and they'll take time for that. Now, the good Senator talked about what happens to people when it rains. Now that they're at the end, they come out of the bus and now they've got to figure out how to get to

their particular place of business and they're out there in the rain.

"So, have they really saved any time at all? Have they? I think that if you add it all up, I don't think that they've saved much of anything at all. They've just been inconvenienced, and for the price of this inconvenience, we'll raise your taxes.

"I just can't go along with this thing at all. I gave a survey to my constituents. I asked them, would they raise taxes or give the counties an opportunity to raise the taxes for light rail or for any of the good projects we've talked about here today, and overwhelmingly they say 'no.' They say 'no.' And just like the good Senator from Hawaii Kai who gave overwhelming evidence of opposition to this enabling legislation, I think that we need to follow what our constituents say. Mines say 'no' and I'll vote 'no.'

"Thank you, Mr. President."

Senator Hooser rose to speak in support of the measure and said:

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

"Mr. President, before I go on, earlier in the debate there were some references made to an allegation that there was misinformation that I perhaps provided to this group on another issue. I want to say that allegation, number one, is not true and it pales, pales in comparison to the misinformation presented on this issue by the Senator from Hawaii Kai and others – the misinformation, the misstatement of facts, and the omission of facts on this issue. One would believe that we're talking just about raising taxes and that's it. No one talks about the costs that we pay, Mr. President, regardless if we raise taxes or not – the cost we pay sitting in traffic, the cost we pay for maintaining automobiles. I would like the record to reflect the misstatements and omissions, and I'll go over some of those in addition.

"I also want the record to reflect that the Senator from Hawaii Kai also waved papers in the air on several occasions during his speech. I want everyone to notice that and how he threw the papers down on the desk.

"Mr. President, this is an important issue. The Chamber of Commerce of Hawaii, the Contractors Association, numerous labor groups and many, many others have stepped up and said, including major newspapers, that traffic congestion is the number one quality of life issue in Honolulu, and it's going to get worse, Mr. President.

"As a society, we need to think about both the short and the long-range solutions and we cannot kid ourselves that this does not cost money. It costs money to do nothing. Driving on substandard congested roads cost each urban Hawaii motorist an average of \$995,000 a year – \$677 million, Mr. President, for doing nothing, not to mention the diminished safety, the long delays, the increased wear and tear on vehicles.

"What is the cost for a family, a father, a mother sitting in traffic, commuting an hour-and-a-half every morning? What does that cost? What is the cost of disposing of automobiles in our landfills? What are the costs of disposing of batteries, the cost of air pollution, the cost of oil dependency, the cost of building and maintaining the roads, the cost of water runoff on those roads, the costs of accidents, and the cost of doing nothing? I ask you, what are those costs, colleagues? I suggested that they are significant.

"Almost anyone suffering through the daily commute to town from the Ewa Plain will be happy to minimize that and to reduce their costs, and they deserve alternatives. We need to do something about the cost of doing nothing, and giving the City and County of Honolulu the ability to raise fees is the responsible thing to do.

"It's been said before that public transit doesn't work, that ridership decreases. That is absolutely false. It's a misstatement. The public transportation ridership – and I'll wave the papers again, Mr. President – the public ridership increased 22 percent between 1988 and 2003, the highest level in 40 years, contrary to the myth that public transit is a declining industry.

"In Las Vegas where freeway congestion has grown from 5 to 55 percent in the past 20 years, voters approved a tax plan to fund local transportation projects.

"It's also been said that it's not going to work here; it's not going to work. But here on Oahu, the primary transportation corridor of Kapolei to UH and Waikiki encompasses 60 percent of the population, over 80 percent of employment on the island.

"The City and County of Honolulu is seeking ways to relieve the traffic congestion. There's a true burden on the people here. It is appropriate – it is appropriate – that the State Legislature assist their efforts by enacting enabling legislation that will allow Honolulu to work out the remedies.

"Are there plans? Of course there are plans. There are plans, and more plans, and more plans, and there will be more plans. We give them the enabling legislation. They will come up with the plans and it will not be a train to nowhere. Give me a break. It will be a plan that puts into place public transportation. The people in this city deserve and we owe it to them to give them this support.

"The light rail boom of the 60's is over they say, and no new systems are being developed. This is absolutely not true. Almost every city that developed light rail systems over the past 30 years are now expanding those systems. Las Vegas, Houston, Minneapolis, San Juan, Puerto Rico, almost every large western city with a population of at least a half-a-million either now has one or is developing one.

"Again, ridership has increased 21 percent six out of the seven last years. There's a lot of misinformation, Mr. President, on this issue and I think it's important to point out the truth. There have been referendums proving in different communities that the people want mass transit and they're willing to pay for it. In Denver, in 1999 the citizens of Denver voted on a proposal to borrow half-a-billion dollars and it passed with 66 percent of the vote. In Phoenix, a similar measure passed by 65 percent of the vote.

"Mr. President, this is the responsible thing to do. Transit, sure there's a cost to it, but doing nothing has a larger cost and I urge my colleagues to vote in support of this measure.

"Thank you."

Senator Trimble rose in rebuttal and said:

"Mr. President, I rise to speak in brief rebuttal and then make some other comments.

"Number one, the good Senator from Ewa missed my point. I said when you have two systems that are losing money, the mass transit and the bus, policymakers are going to make decisions, and the decision that has been made in other cities

has been to decline the bus service to those areas that didn't directly service the mass transit line.

"Number two, you mentioned that this would be the largest public works project in our history, and I agree. But normally, you don't undertake massive public works projects when the economy is bright and is continuing to grow.

"Number three, you talked about going from point A to point B. That's what rail systems do – they go from point A to point B. Unfortunately, our citizens want to go from where they are to where they want to get and that isn't from point A to point B.

"When we talk about ridership, let's be consistent. The evidence that I have seen suggests that if you do nothing to expand the fixed guideway system, the mass transit system, that ridership declines and has declined every decade. The reason why the number of riders is going up is because the system is continuously expanded at greater and greater cost.

"The truth of the matter is that mass transit is not a preferred alternative. If you look at the way that people say they're going to travel and compare it to the way they actually travel, people actually walk more than they say they're going to walk. They carpool more than they say they're going to carpool. They drive their car more than they say they're going to drive their car. The only place where they do not do as much as they said they were going to do is take public transit.

"I suggest, Mr. President, that right now we're talking about dreams – those dreams are not well defined. I remember several months ago when you outlined your dreams for this Session. Unfortunately, at the end of the Session, I don't see those dreams. What I do see is what we could have used to fulfill those dreams have gone to increasing the salaries of public workers.

"Colleagues, what I suggest is that the only thing that this tax increase is going to do in the long run is provide another funding source for continuing to raise the salaries of public employees.

"Thank you, Mr. President."

Senator Baker rose to speak in support and said:

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

"Mr. President, a number of years ago I lived in Washington, D.C. I lived there at a time when the debate over whether to build a heavy rail system was on the minds of everyone. It was before the city fathers and there was much debate and discussion very much like what's happening here – what if we build it and nobody uses it? What if it doesn't go into all of the right neighborhoods? What if, what if, what if. But it was a local decision and fortunately they had the good sense to take a leap of faith and move forward and design a system that goes from Maryland, through the District of Columbia, out to Virginia. It is well used, well maintained, and certainly makes it much easier to get around in the metropolitan district of our nation's capitol.

"They dreamed and they had it defined locally and I keep wondering, as I'm listening to the debate that's gone on this afternoon, what part of the phrase county home rule don't the opponents understand? The only reason we're being asked to provide the counties with some taxing authority that they can use for this is because currently they're quite restricted in what tools they can use to raise revenue to run city operations and to expand city services.

"Their main taxing authority is the property tax, and I suspect that if the City and County of Honolulu, the County of Maui, the County of Hawaii, or the County of Kauai decided that that's what they were going to use to take care of transit issues or any other issue before them by raising property taxes to a sufficient level that a half a percent GET would raise, that you would hear howls and screams all over this state.

"The interesting thing about the general excise tax is that many of our visitors pay it as well, and so it's an exported tax and it decreases the burden on our residents. The important thing for me, in terms of my support for this measure, is that I am giving the responsibility to the level of government that has the responsibility, has asked for the enabling legislation so that they can make the decisions, so that they can design the system, so that they can tailor it to the needs and desires and demands of their local residents. It's not for the State Legislature to make those detailed decisions and I guess that's one of the things some of the opponents have trouble with. We're so used to fixing problems and defining those details at this level.

"But what we're doing is we're enabling our colleagues who have been elected to serve their constituents on the City and County level, with the ability to make those decisions, to move an issue forward, and to try to solve a problem that has only the opportunity to get worse and not better without a solution of this magnitude. And because this is enabling legislation and I believe it's time to move forward and help out the City and County here in Honolulu, as well as the other counties if they so choose, to solve their transportation problems, then I'll be voting 'yes' on this measure."

Senator Taniguchi rose in support and said:

"Mr. President, I would like to have comments in support of this measure noting my concerns 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 this measure.

"In an effort to support the building of a light rail system for the residents of Oahu and to help alleviate the traffic problems that are growing on the neighbor islands, I urge my colleagues to support H.B. No. 1309. H.B. No. 1309 provides the counties with an optional funding mechanism to help solve their traffic problems. For the City and County of Honolulu, the GET surcharge authorized in this measure will be a funding mechanism it can use to build a rail system that will help move people around the island and provide a better quality of life for Oahu's residents.

"While many may support the idea of a light rail system, the Senate has concerns about the unknowns in the City's plan. Without knowing what the cost of the project will be, how the money will be managed, and the amount of a federal match, it is difficult for this Legislature to ask taxpayers to shoulder the burden of a full 1 percent increase in the general excise tax. Therefore, H.B. No. 1309 has been amended to address these issues by reducing the maximum surcharge allowed on the GET to ½ percent and clarifying the use of the revenue from this surcharge to be used for a locally preferred alternative for a mass transit project. In addition, we have provided the deduction of 10 percent of the gross proceeds of a respective county's surcharge on state tax to reimburse the State for administrative costs. A 15-year sunset clause is included in the bill to ensure that there is the opportunity to evaluate the progress and management of the surcharge revenue.

"This bill is just the first step in a long process for the development of a light rail system for the island of Oahu. It will require the cooperation of many entities in the public and private sectors to bring this project to completion. We are counting on a continued working relationship with the City and County of Honolulu as well as the Governor to make this project a success.

"Those on the other islands will benefit from this bill by having the opportunity to look at their own unique issues with traffic and have a funding provision in place to finance any solutions they seek to implement. What works on Oahu is certainly not what is needed on Maui or Kauai, while the Big Island has needs of its own. All the counties should be given the resources to deal with their traffic issues and ease the congestion that frustrates us all.

"I urge all Senators to support H.B. No. 1309."

Senator Espero rose in rebuttal and stated:

"Mr. President, brief rebuttal regarding some of the comments from the good Senator from Kaneohe.

"I guess he didn't see the value of the rail and how it would help my constituents. But let me give him a different point of view. If it takes a person who leaves their home 20 minutes to get on the rail from Ewa Beach, and then it takes 30 to 40 minutes to get into town to their location, that's an hour transporting from Ewa Beach into town or UH. I was in Waikiki this weekend and there was one of those double-decker buses at Kapiolani Park and I asked the bus driver how long would it take you to get from here to Ewa Beach? He told me, two hours by bus on a weekend. Now, can you imagine what that must be like during the rush hour at six o'clock in the morning, seven o'clock in the morning, four, five, six.

"This system, if it is built right – and that is going to be the task of our Council Chairman in the audience and other members at City Hall to make – if it is built right, it will benefit our city tremendously.

"And for the good Senator from Waikiki, point A to point B is relative, sir, so don't think of that too much. Thank you."

Senator Slom rose in rebuttal and stated:

"Mr. President, brief rebuttal on a number of points.

"If . . . if, if, if . . . yeah, we could say that about a lot of legislation. If only – if only we had understood, if only we had asked questions, if only we had gotten answers, if only we had seen a plan – if, if, if. But to raise the tax first, to allow the tax to be raised, to have more burdens on our local residents who have told us overwhelmingly they don't want this, is malfeasance in office.

"A statement was made that our residents demand this rail transit and the tax increase. What residents? Where are they? I haven't seen them. I haven't heard from them. I've shown you what I have in terms of e-mail. You've all seen the effort that the realtors have made and other groups that have joined them. I haven't heard people coming down here with placards saying, 'We want to be taxed more now! More taxes now! Tax us now!' What persons are we talking about? Every survey that we have seen, every survey that's been published, even by the supporting media, have shown that the people are overwhelmingly opposed to this. We can talk about Portland or Vancouver or Washington or other areas, but we live here and we're responsible here.

"And by the way, this continuing situation about increases or decreases in ridership, maybe we need a common definition, because if there are 100 new passengers or drivers created and 8 to 10 of them take some form of existing rail transit in an area, but 88 to 90 take cars or do something else, then we have to conclude that in fact the rail transit areas are showing a decline in usage. They may increase in numbers from one period of time to another, but they are declining in overall usage, in percentages, in ratio, in any other generally understood method of comparison.

"Somebody mentioned the Chamber of Commerce. That's interesting. It depends on what day and what time of the day it is what position the Chamber of Commerce of Hawaii has taken, because they've changed their position three times during this Legislative Session alone. But I know that their most recent position, a position in support of the tax increase, was not done by polling their members. They did not ask their members what they thought. They asked certain members of their board of directors and their executive committee, but they didn't ask their members.

"Will this be the biggest public service or public works project ever in the history of Hawaii? Well, it could be. We don't know where it's going to be or what it's going to look like. It could be. But we do know this – it will be the biggest single tax increase in the history of Hawaii.

"And to the question, what are we going to leave our children 25 or 50 years from now? And by the way, I have four sons and a grandson, and my children are younger than your children, and I'm going to live longer than you no matter what. (Laughter.) What are we going to leave them? More taxes, more debt, more uncertainty and the belief that we didn't know what we were talking about.

"In any business, in any product, in any consumer activity, you don't say here, take my money first and then generally describe what you're going to give to me, and then give it to me and it will be okay and we'll take a leap of faith. You want to know what it is, and even when you know what it is, half the time you're upset anyway because somebody's got one nicer or shinier than you do.

"Is it too much to ask to have the plan first, including the \$2.7 billion cost for construction. By the way, the discussion was made about Denver and the people there. They were willing to vote for . . . what was the figure, was it \$700 million or \$500 million? Half a billion? But we're talking about \$2.7 billion in a small economy. And as the good Senator from Waikiki pointed out, you'll still be subsidizing the bus. Only now, you get to subsidize the bus and the rail transit.

"And all of us get really frustrated when there's an accident anywhere and the current freeways are shut down for two hours, four hours, six hours. That's not a problem of congestion, that's not a problem of transportation, that's a problem of law enforcement and how they go about investigating accidents.

"Now, what happens if there is, God forbid, an accident on the proposed rail transit which we don't know where it's going and what it looks like? They just had one of those, I believe. I think the country is called Japan. What happens if all the unionized employees – and we know they will be all unionized – what happens if they go on strike and shut the whole system down? What happens to the question of rights of way, eminent domain for administration facilities, repair facilities, station facilities, other facilities along the right of way? What happens? We don't know because nobody is giving us answers. And by the way, I apologize if, you know, some of my remarks

rubbed certain Senators the wrong way, particularly about figures.

“Look, there’s a guy up there and his name is Cliff Slater. He knows more than all 25 of us about statistics and facts and figures because he only uses source figures. So, I’d recommend that after this Session – we should be done, I think, probably about nine or ten o’clock, if I speak less, maybe 8:30 (laughter) – that the good Senator from Ewa Beach and the good Senator from Kauai, go right up there and talk with him. He’d be very happy to help you.”

Senator Hooser interjected:

“Mr. President, could you ask the speaker to direct his comments to the Chair, please.”

Senator Slom then said:

“They can go up and talk to him in the gallery.”

President Bunda inquired:

“Senator Slom, are you ready to wrap up?”

Senator Slom responded:

“I’m just about ready, sir. I’m coming around the corner. I’m just about ready to do it.

“Let me say this, we are asking highway users, as well as general taxpayers, to support the rail transit by their fuel taxes, by their motor vehicle weight taxes, by their registration fees and taxes. We had a bill which somehow didn’t make it Friday night. It was H.B. No. 1645 which would have added yet more taxes and a new ad valorem value tax on top of the weight tax and giving the counties the option to raise the highest fuel taxes in the country even more. So, that’s the direction that we’re going in. The fact that it failed at the last minute is just luck for the taxpayers.

“We’re not looking at this tax in a vacuum. It is a tax among other taxes on top of taxes, but it is a cruel tax. And to say that, oh yeah, we’re going to export it to the tourist, there may come a time when, by our legislation for taxes and kamaaina rates and moorage fees, we tell people if you’re from the outside, you’re fair game because that’s all we see you as – a tax target – and they stop coming. And then what do we do? We don’t have too many things to fall back on, so we’re taking that for granted. But even if that were so, I’m concerned about the local people because those are the e-mails, the phone calls, the faxes, and the visits that I’ve gotten, and they’re opposed to this.

“And for one last time let’s go over the home rule fake argument. If it’s home rule you want, you’ve got me in support. Then say that the City and County of Honolulu and the neighbor island counties can have all the taxing authority that they want and they can do anything they want with it. But to say that this is home rule now, to say that they can tailor whatever they want is just not true. The neighbor island counties, it is true, have more options. They can even have road construction if they want, street construction, but not the City and County of Honolulu. It is rail transit only! That’s all they can do. That’s all we can do – those of us from Oahu.

“So, leap of faith . . . I don’t think so. I’m not ready to leap. And for those people that want to use other people’s money to do this, you better check with those people first, because I don’t know what residents you’re talking about that say tax me more, tax me more.

“It’s also strange that people are unwilling publicly to debate this issue with individuals that have a long and honorable track record of providing accurate information. They just don’t want to do it.

“Finally, this is not a partisan issue. It is nonpartisan. We have people of different parties that are both supporting and opposing this, but to say that this is anything other than a tax issue is just plain wrong. Because if it were, then we’d have studies or we’d have commissions and we’d say come up with your best plans and then come to us. And when you have the plan, if you need money, we’ll look at how much it’s going to cost and then we’ll see if we’re going to be able to afford that. But we’re not doing that. We’re saying do the tax first, and that’s wrong.

“Thank you, Mr. President.”

Senator Ihara rose with reservations and said:

“Mr. President, could you note my reservations on this bill for the reasons stated at Third Reading.”

The Chair so ordered.

Senator Hemmings rose to speak in opposition as follows:

“Mr. President, I rise to speak against this legislation.

“Mr. President, I appreciate, after the long debate, the opportunity to share a few thoughts, hopefully in a cogent manner. We’ve been talking about two issues here, Mr. President – the advisability of a fixed rail system for the urban corridor of Honolulu, but more importantly about a tax, the largest tax increase in the state’s history.

“First of all, there’s no economy for scale regarding this proposed system and the cost. The next largest area that has a fixed rail system that’s similarly being proposed in Honolulu is Miami. They have a population base in the urban area of approximately 4 million people. They can spread their debt over 4 million people and they have a much larger potential of users to this system to help underwrite its operating and debt service cost.

“On this island, we have probably no more than five or six hundred thousand at the most in the urban corridor. I can guarantee that every one of the Senators from both sides of the political aisle and House members who live on the Windward side or in East Honolulu will never see the advantages of this. Constituencies are against this because they will be asked to pay for something that will never benefit them.

“Let’s talk about the tax. The tax is extremely regressive. An excise tax hurts the people most who are least able to pay. And if we really are compassionate for the sick, the hungry, the homeless, and those in need in our society, why are they paying these taxes and why would this tax be so regressive for them? It’s been well established that it would take on the average of the average household, \$450 out of each household of four. For the working poor, that is a tremendous amount of money. We just can’t afford this tax.

“Everybody talks about taxes, and I’m sure later we’re going to argue about the conveyance tax increase. They say, well, this tax is not as bad as it is in California or this tax is not as bad as it is. But all these taxes do not come in a vacuum. They come together, and it is known and it has just been recently reinstated by national surveys that our people are amongst the highest, if not the highest, taxed people in the nation per capita basis.

"It was mentioned that if things are so bad, how come we all live in Hawaii? We live in Hawaii because of the blessings of nature and the good will of the people and many other reasons. We live in Hawaii despite the policies of government, not because of them. In fact, the facts are that more and more of our young people and our elderly are being forced to move to other places to afford to live.

"But having said all of that, we know that a tax raise of this nature would be extremely disastrous for the economy and would lead to more red ink in our budgets and more increases in the future to support a system that we cannot afford.

"What are the alternatives? They say doing nothing is what we've done, and they're exactly right. We have done nothing to really solve transit problems and then we come up with this massive tax increase and railway system that wouldn't work, as a big bang solution.

"Panos Prevedouros of the University of Hawaii produced a document that showed that we could cut about 40 percent of commute times for many areas just by fixing our highway systems. Those small fixes are being done as we speak by the current administration and the preliminary evidence is that they do work. The highway contra-flow lane, hooking up the zipper lane to Nimitz, the Lunalilo onramp – all of those things do cut transit time. If we did them all, we could substantially cut so we could fix the mistakes made up and down our urban corridor.

"We could adjust work hours. I just had a grandson delivered at Kapiolani Maternity Hospital. The nurse there works 10 hours and only four days a week. Work hours could be adjusted for public workers and maybe it would help contribute to changing the demand on our roads for when people come and go to work.

"The good Senator from Waianae suggested in a debate similar to this several years ago, don't take people to the destination, take the destination to the people. Kapolei was supposed to be the second city. Maybe we could put more government agencies out there and lead the way in taking people away from the urban corridor and have them commute to Kapolei for a host of needs.

"We could have – as a very astute gentleman on this issue has talked about – an elevated toll way where the people using the mass transit system pay for it. It would not only be accessible to cars, but it could also be available to the bus system, which we're subsidizing. The genius of it is that the buses could get off the elevated toll way and take people close to their destination, not requiring transfers and the use of two mass transit systems. We could deregulate transportation here in Hawaii. We're the only state in the nation that has a Public Utilities Commission that actually discourages people from entering the transportation marketplace with business initiatives.

"Mr. President and colleagues, there are a number of alternatives than a fixed guideway, mass transit, government monopoly system paid for by a tax increase that people of Hawaii cannot afford. I urge my colleagues, especially those who live in areas like I do, to vote 'no' against this because your constituents are certainly against it.

"Thank you, Mr. President."

Senator Hooser rose and said:

"Mr. President, very briefly, I just wanted to correct some significant misstatements of fact presented by the last two speakers speaking in opposition to this measure.

"Both of them said clearly that this is about fixed rail, that it mandates and requires fixed rail. I believe if they took the time to read the bill, they would see that is not the case. I don't even know if fixed rail is even mentioned in the bill. It talks about a locally preferred alternative for mass transit, and I just want to end it there.

"Thank you, Mr. President."

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

Senator Hogue rose and said:

"Mr. President, could you please note that we'd like a Roll Call vote, please. Thank you."

Senators Hee, English, Chun Oakland, Ige, Kokubun and Taniguchi requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 186 was adopted and H.B. No. 1309, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, and Roll Call vote having been requested, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Slom, Trimble, Tsutsui, Whalen).

At 4:29 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:36 o'clock p.m.

FINAL READING

MATTER DEFERRED FROM EARLIER ON THE CALENDAR

Conf. Com. Rep. No. 152 (S.B. No. 294, S.D. 3, H.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 152 be adopted and S.B. No. 294, S.D. 3, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak in opposition to the measure as follows:

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

"I got a phone call from a resident on the Big Island and she was very upset with me. I would have preferred if she would have talked to her Senator, the Senator from the Big Island, but she was very upset with me because she said how could I have voted against the minimum wage. She was a poor person. She had worked at a minimum wage job before, in fact in a restaurant. She said the area was so poor that she didn't even get any tips. And she was having a hard time feeding her children. I tried to explain to her, as best I could, that the minimum wage increase, forced increase, will not take care of that problem and that the minimum wage, as we've discussed year, after year, after year, is basically an entry wage.

“By the statistics given by both the Department of Labor and Industrial Relations and the Clear Labor Organization up at the University of Hawaii, at any given time there’s no more than 2 to 3 percent of the working population that is affected by the minimum wage, and it changes. The whole idea is you’re not supposed to be locked into a minimum wage. A minimum wage is a training wage. It’s an entry wage. It’s not a living wage. Everybody understands that. It’s a place of getting your foot in the door. I don’t ‘think there’s any of us in here that have ever had . . . if we remember back to our first summer jobs or regular jobs, the whole idea was getting the job first to prove to the employer or prove to somebody that you could do it – that you were smart enough, you were strong enough, you were reliable enough, whatever it was. But first there had to be a job and there had to be an entry and you had to be able to get in there.

“Unfortunately, what the minimum wage does is destroy jobs at that very level, that very entry level where people need the opportunity to get there first foot in the door. And as they do a better job, they’re paid more, and if they’re not, they have the ability to walk, particularly in our economy now that we’re blessed by the fact that we have the lowest unemployment rate in the country – under 3 percent, that’s amazing. It is a worker’s market. In fact, employers compete for employees. And how do they compete? They compete with wages. They compete with benefits.

“And to have the Legislature or the Congress, for that matter, tell businesses what they must pay and what the conditions are, particularly when most of the members of the Legislature or of Congress have never undergone the riggers of having their own business and meeting a private payroll, it is very difficult. Again, of all the people that come down to these hearings, the vast majority, the overwhelming majority are opposed to forced compulsory minimum wage increases. Because what people that have never had a job don’t understand, even though we tell them year, after year, after year when this debate continues, is when you force up the minimum wage, you’re also forcing up employer mandates as well. It’s not just the amount that you pay. It’s the cost of all of the mandates such as workers compensation and temporary disability insurance and prepaid health and workers comp and social security and Medicaid matching. Why? Because they are all based on what the size of the payroll is and as the payroll goes up, the cost of these items go up as well.

“Surveys have shown that in Hawaii – which has more mandates, employer mandates than any other state in the union – the cost of those mandates, in addition to whatever the compensation rate is, generally is in an area of between 35 and 55 percent above whatever the wage is paid. So, when people come down here, not just restaurateurs but others, and they say that the cost is very difficult for them and very difficult for entering employees, we should listen to them.

“By the way, those of us that remember Lex Brodie’s survey that he did on the State Board of Education about five or six years ago showed that most new employees, and particularly those that are hired by small businesses because small business creates every two out of three new jobs in the State of Hawaii, for most of those new employees it takes the employer about 50 percent of the time to train that employee, in addition to whatever the demands and the procedures are of the job, in basic reading and mathematics and other skills which somehow were not acquired at the public school level. So, you’ve got on-the-job training. You’ve got compensation. You’ve got benefits as well, and then we want to force those amounts up.

“And in the restaurant industry, it’s a very special situation where the tip credit, as is true, is said that some states don’t

have it but most states do, and most states are higher than our current tip credit rate of 20 cents per hour. It’s a very important consideration because anybody that has ever worked in any restaurant – and I don’t care whether it’s on the Big Island, in a poor area, or whatever – any person that’s ever worked in a restaurant, they don’t work for salary or compensation, they work for tips. And if they are the least bit civil, let alone providing good service, a smile, and extra care, they make all of their money out of tips. So, to offset wages is not only a prudent and rational thing to do, but it is a realization of what the real world of economics are all about.

“So, here we are again telling businesses you must raise your minimum wage whether that person is actually worth that amount of money or not. It has this spiraling affect both upwards and downwards, because you have other employees, even though they’re getting more money they say, ‘well, I haven’t had a raise in awhile. I need a raise too.’ And the unions that are always at the forefront of pushing minimum wage increases, their workers, none of them are getting minimum wage, so you say they have no ax to grind, but of course they do because then they use that in future negotiations to try to push the raises ever higher.

“The cost of business is a cost that all of us as consumers pay. So, in addition to raising the general excise tax on poor people, you’re also going to raise the cost of goods and services, because to the extent that a business can, it will pass along additional cost – taxes, mandates, wages, whatever it is. To the extent that they cannot do that, they go out of business and then everybody loses – the business is not paying taxes and the employees do not have a job.

“Oftentimes, I hear people talking about compassion and sensitivity, and the most compassionate and sensitive thing to do is to have a business and investment climate that encourages more businesses, more competition, and more jobs to be created – not to put more roadblocks, more prohibitions, and more regulations in the way of both existing and new businesses, and particularly new entry level jobs. And that’s what we would do if we voted at this point to increase the minimum wage.

“Thank you.”

Senator Hooser rose in support of the measure and said:

“Mr. President, I rise in support of S.B. No. 294, minimum wage increase.

“Mr. President, we’re talking about raising Hawaii’s minimum wage to \$6.75, a 50 cents increase by January 1, 2006. I’m not the greatest at math sometimes. I kept doing it over and over again thinking it was going to be some huge amount, and 50 cents times 40 hours is \$20. I kept thinking it had to be more than that. It’s \$20 . . . \$20 a week we’re talking about raising the pay of the lowest paid people of our state. There are people here that think that that’s too much. It’s just beyond me, Mr. President.

“The misstatements of fact . . . I would say the previous speaker . . . you know, I was joshed for waving papers in the air, and the reason I’m waving papers is because I’m excited because I have the facts here, Mr. President. I have research. I have studies. I have the information that clearly refutes, and I could stand up here for a long time, but I won’t. The information that comes from 80’s research or points of views stuck in the 80’s about it’s bad for business, it’s bad for business, people don’t want it.

“The Pew Foundation, a nonpartisan organization, just completed a survey that says 82 percent believe that raising the

minimum wage is an important priority – 82 percent. Only the shrill voices of the extreme right wing conservatives still cling to the bad research and myths of the past, claiming that raising the minimum wage is bad for business.

“Hawaii has the lowest unemployment rate – that’s true – yet Hawaii ranks eighth, eighth in the nation for those holding multiple jobs. The people are working harder for less money.

“As the minimum wage stagnates . . . the minimum wage now is not even keeping up with inflation. If it kept up with inflation, it would \$7.64 today. So even the increases we’re considering passing today do not even keep up with inflation, Mr. President.

“Again, we’re not talking about a living wage – a wage that actually would take for a person to live a decent but basic life which is \$10.42 an hour. We’re talking about a sub-living wage and adding \$20 a week onto someone’s salary.

“This is about people, Mr. President. Minimum wage increases benefits for families and children. It lifts families out of poverty. Two out of three minimum wage workers are women. It was talked about all the people working in restaurants making all that money. I asked my staff to look in the Honolulu Advertiser and make an informal phone poll of different employers and this is not just restaurants, this is Blockbuster Video, Kentucky Fried Chicken, McDonalds, Aloha Airlines – \$7, wow, that’s a lot of money, K-Mart, Wal-Mart. These corporations are making billions of dollars in profits and paying minimum wage or just slightly over and we’re worried about paying them \$20 a week more.

“These are not teenagers alone. These are old people. These are senior citizens trying to eke out a living with their social security and make a little bit more money. When you go into McDonalds today, do you see all fresh faced teenagers? You might see some, but you see senior citizens. You see retirees.

“It’s time that we share our prosperity with low income workers. If not now, when? If not now, when? Hawaii is experiencing a spectacular economic boom period right now with expectations that this trend will continue, and we’re debating whether we want to pay or have these people earn another \$20 a week.

“For some in the chambers here, it’s like groundhog day from the 80s again. I don’t know if it’s the Gulf War syndrome or what, but it’s business is bad, business is bad. Every year it’s business is bad, business is bad. But the reality is business isn’t bad, business isn’t bad.

“Hawaii outperformed the United States in 2004 and is expected to continue this trend in 2005. Our economy is good. We have a booming economy. We have the lowest unemployment rate at 2.8 percent in the nation. We’ve led the nation for eight of the last twelve months. Bankruptcy filings have dropped for nine straight quarters. The real estate market is booming. Construction is booming. The visitor industry is booming. The Business Banking Council optimism index was at 138, the highest peak since it began. Bank of Hawaii’s business confidence survey suggested business confidence remains at peak levels. Business is booming. If not now, when? We’re talking about \$20 – \$20 a week for those that earn the very least in our community.

“The sky is not falling. Business is not bad. Business is not bad. Business is better than it’s ever been. If not now, when?

“The argument about when we raise the minimum wage, business is going to go bad. The truth is that when the federal

government raised the minimum wage in ’96 and ’97, unemployment fell. There was a slight increase in jobs even among teenagers, young adults, and others. It resulted in economic benefits to the working poor. It reduced turnover expenses, increased productivity for better, motivated, more stable workers.

“A growing body of empirical evidence in theoretical work has called into question the long held prediction that a higher minimum wage will reduce the number of jobs is from the Fiscal Policy Institute, 2004. In general, there is no valid research based rationale – no valid research based rationale for believing that state minimum wages cause measurable job losses. Policymakers should be aware that the facts clearly show that the benefits of such increases outweigh any potential cost. About 20 studies in the last decade show that modest hikes, \$20 a week, a modest hike in the minimum wage found no employment losses. This fact has been widely embraced since the 1995 studies, etc., etc.

“New Jersey was a very good study case. They found no employment losses – no employment losses – among New Jersey’s fast food restaurants when New Jersey increased the minimum wage. There are few credible reasons to oppose a minimum wage increase. This is a modest and responsible proposal to raise the wages of our lowest wage earners. The voices of business are extremely represented in this debate. Nationwide, they say that timing is not good. When is it ever good to raise the minimum wage if not now when business is booming and confidence is set for the coming years.

“Minimum wage is a tangible measure of how America views employer obligations to their workers. It sets a fair price when one side, the business, holds all the bargaining chips. I’ve been in business for many years and know what it’s like to make a payroll. Low-wage workers have little leverage, little voice, and little negotiating power in a low wage labor market. You try to organize in Wal-Mart and they fire you or they close the store. This is equally true for middleclass youth working to raise money for college as it is for a single mother supporting a family. Minimum wage is not just about helping the impoverished, it’s about fairness – the value of work and opportunity and the responsibility of employers.

“I encourage my colleagues on the Floor today to support \$20 a week for the people who need it the most and vote ‘yes’ on this bill. Thank you, Mr. President.”

Senator Trimble rose in opposition to the measure as follows:

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

“Colleagues, I think it’s appropriate that the good Senator from Kauai retake economics 101. You have a choice between doing a mutatis mutandis analysis or ceteris paribus analysis. It is true that when you have a growing economy, you do not notice the effects of raising the minimum wage. But if this Body really were serious about the working poor, the lower middle class, then their votes earlier today would have been very different. They would have voted to raise the standard deduction. They would have introduced legislation like we did to raise the personal exemption and income tax. They would have lowered or eliminated the business tax.

“Mr. President, I support the concept of every worker earning \$100,000 a year, not in nominal terms but in real terms. You don’t get there by raising taxes. You get there by lowering taxes. The impact of raising the minimum wage will be felt most strongly on places, communities that are not in the urban Honolulu corridor. When you have a stimulated growing

economy in the urban corridor, you have problems with transportation. You have transportation congestion.

“You will have employers that find that they can operate at a breakeven or profitable basis by going out beyond the urban corridor because they can find workers that don’t want to travel into town and they can pay wages that are below the prevailing rate in the private sector in the urban corridor. This is the activity that we want to encourage. We want to encourage non-government employment growth in Ewa. We want to encourage it in Wahiawa, Kaunakakai, Hana. This is what happens in a growing economy when real estate prices, rents, and wages are above the average for the State. Employers look to go outside the urban corridor. That is what we need to happen.

“The title of the bill is wrong. We really should be calling this the part-time employment act of 2005, and let me tell you why. Members of this Body get up and say it is a shame that fewer people are covered by health coverage now than 30 years ago. If that really bothered them, then they would apply this rise in minimum wage to part-time workers and exempt those with health coverage. They do not.

“What happens to an employer’s cost of doing business, because of increases in the minimum wage and the domino effect it will have up the chain, when their cost of labor goes up? They will seek to reduce the number of fulltime workers and increase the number of part-time workers. That is why we have so many more residents than in any other State in the Union who will be fulltime workers working two to three part-time jobs. When they go and take part-time employment, they are actually taking jobs away that normally might go to teenagers or retired people. I don’t think that’s positive either.

“I’m going to be voting against this bill because of its impact on communities outside the urban corridor, because of its impact on teenage employment opportunity, on people that have already retired, and on people that have physical or mental disabilities that will have a harder time getting employed if we raise the minimum wage.

“Thank you, Mr. President.”

Senator Ihara rose with reservations and said:

“Mr. President, could you please note my reservations on this bill because it lacks an increased tip credit, and without a tip credit, the many great and local restaurants in Kaimuki and Kapahulu would be negatively impacted.”

The Chair so ordered.

Senator Kim rose with reservations also and said:

“Mr. President, will you also note reservations for me and also some of the comments of the previous speaker. Thank you.”

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 152 was adopted and S.B. No. 294, S.D. 3, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EMPLOYMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Ige, Slom, Trimble).

FINAL READING

MATTERS DEFERRED FROM THURSDAY, APRIL 28, 2005

Conf. Com. Rep. No. 1 (S.B. No. 1483, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 1 was adopted and S.B. No. 1483, S.D. 1, H.D. 1, C.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 Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 3 (S.B. No. 459, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Conf. Com. Rep. No. 3 was adopted and S.B. No. 459, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 19 (S.B. No. 1117, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 19 was adopted and S.B. No. 1117, S.D. 1, H.D. 1, C.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 Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 24 (S.B. No. 1872, H.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Baker and carried, Conf. Com. Rep. No. 24 was adopted and S.B. No. 1872, H.D. 1, C.D. 1, 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 Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 45 (S.B. No. 1699, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 45 was adopted and S.B. No. 1699, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CULTURE AND THE ARTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 49 (S.B. No. 1267, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 49 was adopted and H.B. No. 1267, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SHARK MONITORING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 56 (H.B. No. 1555, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 56 was adopted and H.B. No. 1555, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HUALALAI ACADEMY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 60 (H.B. No. 1238, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator English and carried, Conf. Com. Rep. No. 60 was adopted and H.B. No. 1238, H.D. 1, S.D. 2, C.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 Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 63 (H.B. No. 1657, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 63 was adopted and H.B. No. 1657, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST HOKU SCIENTIFIC," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 87 (H.B. No. 283, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 87 was adopted and H.B. No. 283, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO RECOGNIZE AND HONOR SENATOR HIRAM L. FONG," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 93 (H.B. No. 1301, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 93 was adopted and H.B. No. 1301, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," having

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 98 (H.B. No. 1668, S.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Conf. Com. Rep. No. 98 was adopted and H.B. No. 1668, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 99 (H.B. No. 500, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 99 was adopted and H.B. No. 500, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 102 (S.B. No. 1592, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 102 was adopted and S.B. No. 1592, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PLANNING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 110 (S.B. No. 1451, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 110 was adopted and S.B. No. 1451, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IMPROVING WATER QUALITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 132 (H.B. No. 168, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 132 was adopted and H.B. No. 168, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 136 (H.B. No. 841, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 136 was adopted and H.B. No. 841, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout,

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 137 (H.B. No. 1556, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Kokubun and carried, Conf. Com. Rep. No. 137 was adopted and H.B. No. 1556, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 141 (H.B. No. 260, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 141 was adopted and H.B. No. 260, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 143 (H.B. No. 1597, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 143 was adopted and H.B. No. 1597, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 145 (H.B. No. 19, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Hee, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 145 was adopted and H.B. No. 19, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNIVERSITY PROJECTS AND AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR HOUSING UNITS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 155 (S.B. No. 944, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 155 was adopted and S.B. No. 944, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 156 (S.B. No. 945, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 156 was adopted and S.B. No. 945, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 158 (S.B. No. 1579, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 158 was adopted and S.B. No. 1579, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 159 (S.B. No. 1580, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 159 was adopted and S.B. No. 1580, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 164 (H.B. No. 1763, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 164 was adopted and H.B. No. 1763, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 167 (H.B. No. 1300, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 167 was adopted and H.B. No. 1300, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 170 (H.B. No. 115, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 170 was adopted and H.B. No. 115, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MILITARY AFFAIRS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 175 (H.B. No. 1640, H.D. 3, S.D. 2, C.D. 1):

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 175 was adopted and H.B. No. 1640, H.D. 3, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 12 (S.B. No. 673, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 12 was adopted and S.B. No. 673, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 44 (S.B. No. 1660, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 44 was adopted and S.B. No. 1660, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Conf. Com. Rep. No. 50 (S.B. No. 116, S.D. 2, H.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 50 be adopted and S.B. No. 116, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Baker.

Senator Trimble rose with reservations and said:

"Mr. President, I stand to express reservations.

"We have a nursing shortage in this state. We came up with a nice piece of legislation and in the end we are appropriating, we are giving for this scholarship program because we have a nursing shortage, \$20,000 this year, nothing next year. I think the Senator from Waimanalo would say this is sham legislation.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 50 was adopted and S.B. No. 116, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NURSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 103 (S.B. No. 1732, S.D. 1, H.D. 1, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 103 be adopted and S.B. No. 1732, S.D. 1, H.D. 1, C.D. 1, having been

read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Trimble rose to speak in opposition to the measure as follows:

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

"Is this about pork or being President? Is this about pork and being President?"

"Mr. President, I think it's appropriate, if we're concerned with natural disasters, that we list all natural disasters and from that list, based upon the exposure, we appropriate money to do them in order. Since this reasonable process was not followed, I'll be voting against this measure.

"Thank you."

Senator Kokubun rose to support the measure and said:

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

"Mr. President, we have been very, very concerned about the water quality and the flood situation at Lake Wilson, and we think this is an appropriate measure to address those issues. For one thing, as you know, and I hope as many of our colleagues know, Lake Wilson is used as an irrigation source for many of the agricultural lands in that area. For that reason, we are very, very concerned about the water quality, and we are also very concerned about the overflow of Lake Wilson and the damage that it can cause not only to communities, but also to the agricultural industry there.

"I ask all my colleagues to support this measure. Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 103 was adopted and S.B. No. 1732, S.D. 1, H.D. 1, C.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 Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Conf. Com. Rep. No. 107 (S.B. No. 807, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 107 was adopted and S.B. No. 807, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SALARIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 108 (S.B. No. 960, H.D. 1, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 108 be adopted and S.B. No. 960, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure as follows:

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

"I support the contents of the bill. The objective of the bill and what I object to is raiding the Hurricane Relief Fund by more than \$2 million.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 108 was adopted and S.B. No. 960, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 111 (S.B. No. 1250, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Sakamoto and carried, Conf. Com. Rep. No. 111 was adopted and S.B. No. 1250, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL SUBSTITUTE TEACHERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 112 (S.B. No. 682, S.D. 2, H.D. 3, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 112 be adopted and S.B. No. 682, S.D. 2, H.D. 3, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

Senator Baker rose in support and said:

"Mr. President, I have remarks I'd like to have inserted in the Journal in support of this measure. Thank you."

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

"Mr. President, I rise in support of S.B. No. 682.

"This is an important measure that will provide additional tools to monitor the sale of tobacco and ensure that minors are not able to purchase tobacco products thus helping to reduce the use of tobacco among Hawaii's youth. Studies have shown that 90 percent of current smokers began smoking before the age of eighteen. Meanwhile, cigarette companies are constantly targeting America's youth in their attempt to sell their deadly product to a new, younger market. Our best defense against these tactics 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 ensures strict standards for retailers who want to sell tobacco products and provides hefty penalties for those who do not comply with the law. The bill will establish a permit fee of \$20, not an onerous amount for retailers. More importantly, the bill will help us know when product is sold and ensure that product, without proper taxes paid, will not be sold.

"This is a very important measure from a public health standpoint and I want to thank the Attorney General and the Director of Taxation for their assistance in Conference to craft a bill on which we could all agree. The Center for Disease Control and Prevention lists measures like this as an important strategy to the prevention of underage smoking and as a deterrent to youthful addiction.

"S.B. No. 682 is an important public health bill. I urge all my colleagues to vote for this measure."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 112 was adopted and S.B. No. 682, S.D. 2, H.D. 3, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 113 (S.B. No. 802, S.D. 2, H.D. 1, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 113 be adopted and S.B. No. 802, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Slom rose to speak in opposition and stated:

"Mr. President, again I'm forced to rise in opposition to this bill.

"I supported the bill all through the legislative process until the Conference Committee until a special fund was inserted on page 8, and so I'll be voting 'no.'

"Thank you."

Senator Baker rose to speak in support of the measure and said:

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

"Perhaps the good Senator wasn't aware that the special fund was in there all along because this measure is to be funded totally by rebates from drug manufacturers. This is the bill that will establish a state pharmacy assistance program to take care of the dual eligibles who, come January 1, 2006, will not be eligible for Medicaid drug benefits any longer. They are going to be pushed off to Medicare, so they'll have to pay for their prescription drugs in the form of co-payments for the first time.

"The fund is designed to receive any of the rebates from drug manufacturers that the Director of Human Services is able to negotiate in order to pay the co-payments of formerly eligible Medicaid recipients.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 113 was adopted and S.B. No. 802, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A STATE PHARMACY ASSISTANCE PROGRAM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 114 (S.B. No. 27, S.D. 1, H.D. 1, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 114 be adopted and S.B. No. 27, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Tsutsui.

Senator Chun Oakland rose to support the measure and said:

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

“This measure, in part, funds the Kapiolani Medical Center Women and Children’s Care Program, Child at Risk Evaluation Program. It is a program that provides comprehensive health assessment for children entering the Child Welfare Services System. With the funding in this bill and in another bill that we will be voting on, it will continue this important program that strengthens the Hawaii Child Welfare Service System.

“This is something that could not be funded or was not proposed to be funded in the executive budget, but we were able to find resources so that in fact the performance improvement plan that Hawaii is trying to achieve to improve our child welfare system will in fact be a positive thing.

“I also would like to note that in the committee report there is a sentence that references non-school hour programs that was inappropriately put into the committee report. I just wanted to note that for the record.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 114 was adopted and S.B. No. 27, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE KAPIOLANI CHILD AT-RISK EVALUATION PROGRAM,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 118 (S.B. No. 1814, S.D. 2, H.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 118 be adopted and S.B. No. 1814, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kokubun.

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 118 was adopted and S.B. No. 1814, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO IMPACT FEES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 119 (S.B. No. 1643, S.D. 2, H.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 119 be adopted and S.B. No. 1643, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kokubun.

Senator Ihara rose to speak in support of the measure with reservations as follows:

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

“I have reservations and, with my apologies, I have some annoyance about this bill because it is not in conformance with fundamental open government principles. There is a Section in the C.D. 1, Section 6, page 16, that exempts charter schools from Chapter 92, the sunshine law. This amendment was not in the House or Senate draft when it went into Conference and that is not an insurmountable problem because there’s Rule 12 of Conference Procedures that says exceptions to these procedures

may be made only with advance written approval of both the Senate President and the House Speaker, and there was no such advance approval.

“Nevertheless, on the substance I had asked the Office of Information Practices to tell me what the impact of this amendment was and I’ll quote from a letter from the Office of Information Practices. It says about this amendment, ‘Among other things, this means that charter school boards will not be required to allow non-school members, including parents of charter school children, to attend or offer testimony at their meetings. The charter school boards will not be required to announce publicly when they meet, where they’re meeting or what they’ll be considering. The charter school boards will not be required to keep minutes. In other words, decisions can be made by charter school boards with this amendment without public participation, public scrutiny, or public notice.’

“This concerns me and the bill I think is a good bill except for this, and it’s not enough of a problem to me – I hope we’ll fix it in the future – to vote ‘no.’ So, I’m voting in favor with reservations.

“Thank you.”

Senator Trimble requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 119 was adopted and S.B. No. 1643, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 123 (S.B. No. 1620, S.D. 2, H.D. 2, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 123 be adopted and S.B. No. 1620, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Baker.

Senator Slom rose to speak in opposition and said:

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

“While I certainly support most of the human services appropriations, I don’t support the raiding of the rainy day fund to pay for them. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 123 was adopted and S.B. No. 1620, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE FUNDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 125 (S.B. No. 617, S.D. 1, H.D. 1, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 125 be adopted and S.B. No. 617, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Trimble rose in opposition to the measure as follows:

"Mr. President, I stand in opposition to this measure because it exempts from the payment of central service and department assessments, and I believe that we should look to the Legislative Auditor to make a determination about all funds and not just exempt them from case to case as time goes by.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 125 was adopted and S.B. No. 617, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COURT INTERPRETER SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Conf. Com. Rep. No. 127 (S.B. No. 813, S.D. 2, H.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 127 be adopted and S.B. No. 813, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition as follows:

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

"Originally, this bill had to do with unemployment compensation benefits and the federal Reed Act, but it has been amended tremendously and one of the sections mandates that the Oahu Workforce Investment Board must partner with Leeward Community College to provide federal Wagner-Peyser services for immigrants from the Freely Associated States of Micronesia. We talked about this before as a separate measure over the last couple of years. To mandate and force the development board to do this is I think is wrong.

"Even more wrong is the fact that out of this bill, \$1,650,000 shall be allocated to the Hawaii Workforce Investment Board provided that it shall partner with the DLIR to provide Wagner-Peyser services for the eradication of coqui frogs. Mr. President, I think we should kill the little devils or stir-fry them, as the Mayor of the Big Island says, but to take money out of the unemployment compensation fund, which is paid for entirely by employers, under the guise of expanding unemployment benefits, for coqui frogs is wrong, wrong, wrong!

"Thank you."

Senator Trimble rose in opposition also and said:

"Mr. President, I think the good Senator from Hawaii Kai missed one point. This measure also says that no money will be released to DLIR until the total amounts to be allocated to the county have been already released, and I think that's wrong also.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 127 was adopted and S.B. No. 813, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 135 (H.B. No. 109, H.D. 1, S.D. 2, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 135 be adopted and H.B. No. 109, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Hooser rose in support and said:

"Mr. President, I would like remarks in support inserted into the Journal please."

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

"I rise to speak in support of H.B. No. 109.

"It is my understanding that a prior conference draft of this bill would have allowed country clubs and related facilities that had been previously approved by the county to be grandfathered. I appreciate the conferees removing this language. Had the language remained in the bill, it may have caused this body to inadvertently interfere in the on going Hokulia litigation. As passed by the conferees, however, it is my understanding that it will have no effect on the Hokulia litigation. I therefore wholeheartedly support this measure.

"I disagree with this measure's Conf. Com. Rep. No. 135, which states:

'It is the intent of your Committee on Conference that section 205-4.5(d), Hawaii Revised Statutes, also applies to golf-related facilities as a permitted use within the agricultural district if approved by a county before July 1, 2005.'

"That language was REMOVED from a previous conference draft of the bill and is not contained in the measure before us today. The intent of this measure is to only allow golf courses and golf driving ranges – not other facilities – in the ag district if they received final approval by a county prior to July 2005."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 135 was adopted and H.B. No. 109, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE COMMISSION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 139 (H.B. No. 1528, H.D. 2, S.D. 2, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 139 be adopted and H.B. No. 1528, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Inouye.

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

"Mr. President, I rise in opposition to this measure because I see no relationship in terms of the level of responsibility and the size of the organization between the head of various legislative agencies and that of the Director of the Department of Health – a department that has the budget of \$1.1 billion and whose employees number approximately 3,200. And because I don't see any nexus, I'm compelled to vote against this measure.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 139 was adopted and H.B. No. 1528, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hogue, Trimble).

Conf. Com. Rep. No. 142 (H.B. No. 263, S.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 142 be adopted and H.B. No. 263, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue rose with reservations and said:

"Mr. President, please note my reservations on this particular measure.

"I have no problem with the fact that we're going to end up making an appropriation for these workers. My reservations have to do with the fact that I think we need to repeal the binding arbitration process and I wanted to note that for the record.

"Please note my reservations. Thank you."

Senator Kanno rose in support and said:

"Mr. President, I would like to have some comments inserted into the Journal in support."

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

"Mr. President, I rise to speak in support.

"The Governor has spoken out against the binding arbitration award, claiming that the arbitrator made many mistakes in formulating the award, including that inappropriately considering the wages paid to employees outside of the State. She has also intimated that the award is indicative of a trend of binding arbitration that results in totally depleting state revenues increases in order to pay for collective bargaining salary increases.

"The Governor's criticism of the arbitrator's deliberations is misplaced, as the Hawaii Revised Statutes, specifically provides that a factor proper for the arbitrator's consideration is the 'comparison of wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other persons performing similar services, and of other state and county employees in Hawaii.' Additionally, that same statute also authorizes the arbitrator to consider any other factors that are commonly utilized in determining wages, hours, and conditions of employment in collective bargaining, mediation, or arbitration in public employment. Therefore, if the examination of wages of other employees performing services similar to the HGEA employees outside of Hawaii was warranted, the arbitrator could have properly considered this.

"Mr. President, the Governor has not similarly attacked comparable pay increases that have also recently been authorized by the Governor for other bargaining units, including a 9.56 percent pay increase over the next two years for teachers, an arbitration award of a 2 percent increase every six months over a period of two years for firefighters, and an arbitration

award of 16 percent over a period of four years for police officers. The pay increases provided in this measure for HGEA employees is completely in line with those provided for these units.

"Additionally, the Governor orchestrated the unprecedented agreement with the University of Hawaii Professional Assembly, which provided for a 31 percent increase over a six-year period. Within the UHPA agreement, year four yields a 5 percent increase, of which the State is responsible for 4 percent; year five yields a 9 percent increase, of which the State is responsible for 6 percent; and year six yields an 11 percent increase, of which the State is responsible for 8 percent. Although the University will bear a portion of the cost in years four through six, the State is responsible for the majority of the increase, and they are greater than the HGEA raises.

"Mr. President, these numbers demonstrate that the HGEA raises are not in any manner extraordinary. Indeed, it is the Governor herself who set the bar in the 4-5 percent range for salary increase through negotiations and the approval of arbitrated agreements with the other bargaining units.

"Finally, and most importantly, the HGEA employees deserve the pay increases. They provide valuable services essential to the continued provision of effective and efficient government operations, and we must always endeavor to properly compensate these dedicated public servants in recognition of their hard work and commitment.

"Mr. President, this measure represents a fair award for adequately compensating our valued state employees. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 142 was adopted and H.B. No. 263, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR SALARY INCREASES FOR PUBLIC EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 144 (H.B. No. 1599, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 144 was adopted and H.B. No. 1599, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 146 (H.B. No. 1308, H.D. 1, S.D. 2, C.D. 1):

Senator Kokubun moved that Conf. Com. Rep. No. 146 be adopted and H.B. No. 1308, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure and said:

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

"Again, this is another tax increase bill. This time it's conveyance tax. The argument is, well it's only for the expensive properties of \$600,000 or more that will go up, but

last time I checked, that is the range of the median price of housing on both Oahu and the neighbor islands.

“Thank you.”

Senator Kokubun rose to speak in support and stated:

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

“Mr. President, I think this is a landmark issue for this Legislative Session. I want to really appeal to my colleagues here to support this measure and I think I will get their support.

“We have always looked at the dynamic change that is going on here in Hawaii and we really need to take the appropriate steps to preserve some of our significant lands for future generations. Mr. President, this bill will allow us to do that.

“Yes, it is pegged to an increase to the conveyance tax. Although, frankly, our research indicates that by using the \$600,000 figure as a threshold, we have determined that a vast majority, over 90 percent of the sales that took place in Hawaii in 2004, actually were below the \$600,000 threshold. So we need to remind everyone that in fact the conveyance tax rate for purchases below \$600,000 will remain as it is, and I think in that regard it will not have a negative impact in terms of raising the conveyance tax for over 90 percent of the subject transactions.

“So again, I think the value or the benefit that this will provide for the future generations of Hawaii is extremely essential and I think that this is a necessary bill that we must pass.

“Thank you.”

Senator Menor rose in favor with reservations and said:

“Mr. President, I just want the record to note the fact that I’ll be voting in favor of this measure, but with reservations.”

Senator Hemmings rose to speak against the measure and said:

“Mr. President, I rise to speak against this bill.

“Mr. President, first of all I want to laud the Chairman of the Water, Land, and Agriculture Committee for this noble effort in saving legacy lands, but where I part company with the Majority Party is increasing taxes to pay for it. It seems that every time we have a goal that is something that would benefit our people, the only solution we have is to raise the tax somewhere to pay for it when there are clearly alternatives.

“As I spoke about the alternatives to raising the excise tax for a fixed rail system, there are alternatives to this where we could indeed preserve legacy lands or those lands that we deem special for future generations. Number one alternative is to trade land. The biggest landowner in the State of Hawaii is the State of Hawaii. We do have a great amount of land that could be traded easily for some lands that we deem legacy lands. Another alternative is tax credits – give the owners of this land tax credits to relinquish it to the state so that the taxpayers would not have to have an increase in their taxes to help pay for it. Another alternative, and this is making more and more sense, is to have the Hawaii Tourism Authority take out of their \$60 million-plus budget every year some money to help pay to preserve the product that everybody here loves so much – the product being the natural beauty and legacy lands of Hawaii.

“We’ve already, in my estimation, hit the point of diminishing returns with visitor arrivals. We’re putting band-aids over problems as result of too many tourist, such as a number of bills that were passed to preserve the Waianae coast with the inundation of the tourist industry. Maybe rather than promoting more tourists coming here, we could use that considerable sum of the money to partially pay for legacy lands.

“Another alternative is partnerships with companies that are like Nature Conservancy where you have public/private partnerships. It is a laudable goal and the Chairman of the Committee and the Vice-Chair, I might add, have done an excellent job with this bill. It’s unfortunate we have to pay for tax increases. I do want to dispute the tax increase being for a very minor number of people. It kicks into properties over \$600,000 and the medium priced home on Maui right now is over \$600,000. On Oahu it’s \$550,000, so this will impact a lot of people that are trying to buy a home.

“It is a tax increase. The resources are there and alternatives are there to pay for legacy lands without any tax increase, therefore I will be voting ‘no.’ Thank you, Mr. President.”

Senator Trimble rose to speak in opposition and said:

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

“Great title. I do want to note that the State of Hawaii already owns, I believe, about 1/3 of the land in the state, and so I would like to get some sense going forward how much more land do we have to acquire until we’re satisfied. We can always find some parcel someplace that a case can be made that it should be acquired by the state.

“But the thing that’s even more troubling is that if all the money that was going to be collected, all the \$36 million that was going to be collected was going to go for the purchase of legacy land, a good case could be made, but it appears that 35 percent is going to be transferred into the state general fund. So, one could say that we’re raising the conveyance tax so that we can pay our public sector employees the increase in wages that has just been granted. I think that’s wrong.

“Thank you, Mr. President.”

Senator Hooser rose in support of the measure and said:

“Mr. President, I rise in support with just some brief remarks.

“I’d like to make a point for the record that the Counties of Maui and Kauai, two or three years ago, overwhelmingly by referendum supported the concept of using county funds for similar purposes and this is a wonderful addition to that effort. It will allow the community to leverage funds from different sources to preserve open space and buy property.

“I’d just like to comment that it’s not all about just buying land, sometimes it’s preserving a waterfall or preserving a trail to a beach. Those of us that live in rural communities know that these types of assets and natural resources are slipping away far, far too quickly. There are many in my community who can’t go fishing where they used to go fishing. You can’t see the view where you used to see it, and perhaps living in urban Honolulu you forget that sometimes. I know that being here and working during the Session, sometimes I’m in this building what seems like 24 hours a day, but when I go home, as I’m sure many of you who live in the rural areas know, you really appreciate the value of a view, the value of public access, the value of a waterfall.

"These funds will go towards preserving those things because we can't get them back, Mr. President and colleagues. Once they are gone, they're gone, and we need to think and preserve the future for multiple generations from now, not just today.

"In addition, Mr. President, I'd like to say that there's a direct nexus, in my opinion in my community, between these funds and the use to which they are going to be put. In my community, I would wager that if you did a median sales price of homes by local residents, you would find the local residents aren't buying too many homes these days and the vast majority of the homes being purchased in my community – I can't speak for every district – are out-of-state investors, speculators, vacation homes and those are the same homes, the same developments that are blocking off these accesses, buying up exciting local residences and driving up the cost of housing.

"We have a project in our community now with 1,500 homes, all of them in excess of \$1 million and all of them for vacation rentals. None of them will be for local residents. I believe these people deserve and can afford to pay to help preserve the natural resources.

"One element that's missing in the debate so far is the impact on affordable housing. This bill will result in approximately \$10 million into the rental housing trust fund – a significant amount of money that will be used to build new affordable housing units throughout the state.

"It's a good bill. It's good for the environment. It's good for affordable housing, and for those reasons and others, I encourage my colleagues to vote in support. Thank you."

Senator Kokubun rose in rebuttal and said:

"Mr. President, if I may rise in brief rebuttal.

"The good Senator from Waikiki did mention the fact that there is money going into the general fund from the conveyance tax revenues. But just for the record, Mr. President, at the current time, the distribution formula is 50 percent of the revenues from the conveyance tax go into the general fund. The way we have now redistributed the money is that only 35 percent – 15 percent less – will be going into the general fund because this Legislature saw the need to support the legacy lands program as well as to provide additional money for our rental housing trust fund to ensure that we will be able to develop more affordable units for those in need of housing.

"Thank you, Mr. President."

Senator Hemmings rose and said:

"Mr. President, real briefly to set the record straight.

"Legacy lands and the state ownership is allegedly an excuse for preserving these lands. I want the record to show some of the properties that are currently owned by the state that local people have a difficult time getting to. One is this place called Hanauma Bay – a place where, when I was a kid, we used to go and play. There's a blowhole there called toilet bowl. You can't get there anymore – too many tourist.

"On the beautiful Island of Kauai, in my estimation, the North Shore of Kauai is probably one of the most beautiful places on earth. There is a state trail there at Haena at the end of the road. It's really fun to hike into Hanakapiai, but guess what – it's state owned; it should be protected – you have to get there at about 6:30 or 7:00 in the morning to get parking so you can hike into the trail. The state owns it. Could we call it

legacy lands? Has the state steward been preserving those lands? No. We're spending \$60 million to bring more tourists to close off that trail even more for local people.

"How about a trail owned on this island? We're all local people. We love to go hiking. Try to go to Manoa Falls . . . can't do it. It's state owned land. You might say it's a legacy land. It's a beautiful falls, similar to the ones spoken about by the good Senator from Kauai . . . can't get there.

"Raising taxes for the state to acquire land under the guise that the state is going to protect it as legacy lands is just not true and it doesn't make sense. I would feel a lot better if organizations like the Nature Conservancy and others who are professionals at protecting resources like this had title to it, rather than the State of Hawaii.

"Thank you, Mr. President."

Senator Baker rose in support of this measure as follows:

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

"I think the good Senator from the other side of the island (laughter) actually made a case for this bill when he talked about the importance of partnering with nonprofits and folks like the Nature Conservancy because that's exactly what's envisioned by this bill.

"On Maui, we have the Maui Coastal Land Trust and they're a private, nonprofit. Maui Coastal Land Trust has been partnering with the County of Maui and with private land owners and others as well to acquire significant lands to hold them in trust to make sure that they stay an open space and they're protected.

"The funding mechanism and the funding provided in this bill will actually encourage more efforts on the part of the Nature Conservancy and the Maui Coastal Land Trust to do just the kinds of things that the good Senator was concerned about. With this bill we can have these significant resources preserved for all of us to enjoy.

"I urge all my colleagues to vote 'yes' on this bill."

At 5:29 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:31 o'clock p.m.

Senator Hee rose at this time and said:

"Mr. President, I move the previous question."

Senator Whalen stated:

"I second the motion."

The motion to move the previous question was then put by the Chair and carried by not less than three-fifths vote of all the members to which the Senate is entitled.

The President then said:

"Could we have a short recess please?"

Senator Whalen interjected:

"Point of order. I don't think we can. The motion carried, therefore we have to vote now."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 146 was adopted and H.B. No. 1308, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND CONSERVATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Ige, Slom, Trimble, Whalen).

Conf. Com. Rep. No. 166 (H.B. No. 844, H.D. 1, S.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 166 be adopted and H.B. No. 844, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Slom rose to speak against the measure and said:

"Mr. President, I'll be voting 'no' on this bill because it does include a special fund. Although it says it's a fund outside of the regular fund, it is a cadet teacher's special fund."

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

"Mr. President, I rise in favor of this bill just briefly.

"The teacher cadet program, for which high school students were here a few weeks ago, is an excellent program. This doesn't fund it, but creates a structure.

"It also urges the University of Hawaii to get teachers through their system quicker, ideally in four years. It also has a provision for the department to pay the new hired teachers quicker even if they just pay them partially. There are several parts dealing with licensing reciprocity with the Teacher Standards Board.

"I feel or some of us feel that the teacher shortage or retaining teachers is one of the most important things we need to do now to help education, so I urge everybody to vote in support.

"Mr. President, normally I do some sort of a matrix of education bills, can this be inserted into the Journal? And earlier when I was talking about H.B. No. 100, I have a similar insert, can that be included as well?"

The Chair having so ordered, Senator Sakamoto's inserts are identified as ATTACHMENTS "A" and "B" to the Journal of this day.

Senator Hemmings rose in favor of the measure and said:

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

"For the record, I want to set the record straight regarding some myths about public education. It wasn't too long ago that the mantra of those wishing to throw more money at public education was saying it was under-funded. We did point out through the budget process that with close to \$2 billion and 182,000 children, that's over \$10,000 per child in the public education system. Of course the problem with the money is not that it's not enough – the problem is management.

"Regarding the alleged teacher shortage, there are a number of perspectives on it. But probably the best are the numbers again – there are over 13,000 teachers that are members of the

Hawaii State Teachers Association, but only a little over 9,000 that are in the classrooms. The rest are in the bureaucracy.

"The real problem with education is not lack of money and not lack of good teachers, it's lack of good management and nothing has been done to change that.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 166 was adopted and H.B. No. 844, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 168 (H.B. No. 1304, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Menor and carried, Conf. Com. Rep. No. 168 was adopted and H.B. No. 1304, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Hemmings, Hogue, Slom, Whalen).

Conf. Com. Rep. No. 171 (H.B. No. 160, H.D. 2, S.D. 1, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 171 be adopted and H.B. No. 160, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue rose in opposition to the measure and said:

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

"Because I said nothing is more blessed than those who are brief, I said that earlier in the Session, I will insert my comments into the Journal. Thank you."

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

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

"I object to this bill's attempt to micromanage DCCA and take away much of their autonomy, even though DCCA is widely viewed in the business community as one of the best run agencies in state government. In particular, I strongly feel we should not cap the assessments of the insurance sub-account at \$5 million per year in perpetuity. This cap feels arbitrary – it was at \$4 million in a prior draft, now it's at \$5 million. How was this number arrived at? Did the Conference Committee throw darts or go Jan-Ken-Po? If members of this Legislature feel that DCCA is overcharging for a particular insurer, why not just meet with Mark Recktenwald and talk about how they calculated the assessment and whether those charges are appropriate? We've seen ample evidence that DCCA is eager to lower charges whenever justified – why are we trying to second-guess the experts here without first talking to them?"

"I urge all my colleagues to vote 'no.'"

The motion was put by the Chair and carried, Conf. Com. Rep. No. 171 was adopted and H.B. No. 160, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE

COMPLIANCE RESOLUTION FUND," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Hemmings, Hogue, Slom, Trimble).

ADVISE AND CONSENT

Stand. Com. Rep. No. 1904 (Gov. Msg. Nos. 525, 526 and 533):

Senator Sakamoto moved that Stand. Com. Rep. No. 1904 be received and placed on file, seconded by Senator Hooser and carried.

Senator Sakamoto then moved that the Senate advise and consent to the nominations to the Advisory Board on Veterans' Services of the following:

WILLIAM W. DAVES, term to expire June 30, 2009 (Gov. Msg. No. 525);

HERRING K. KALUA, term to expire June 30, 2009 (Gov. Msg. No. 526); and

MARVIN R. KOGA, term to expire June 30, 2009 (Gov. Msg. No. 533),

seconded by Senator Hooser.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1905 (Gov. Msg. Nos. 663, 664, 665, 666, 667 and 668):

Senator Sakamoto moved that Stand. Com. Rep. No. 1905 be received and placed on file, seconded by Senator Hooser and carried.

Senator Sakamoto then moved that the Senate advise and consent to the nominations to the Hawaii Teacher Standards Board of the following:

WRAY JOSE, term to expire June 30, 2006 (Gov. Msg. No. 663);

CHARLENE H. MIYASHIRO, term to expire June 30, 2008 (Gov. Msg. No. 664);

STEVE NAKASATO, term to expire June 30, 2007 (Gov. Msg. No. 665);

ANNETTE NISHIKAWA, term to expire June 30, 2007 (Gov. Msg. No. 666);

CATHERINE H. PAYNE, term to expire June 30, 2007 (Gov. Msg. No. 667); and

FAIRFAX A. REILLY M.ED., term to expire June 30, 2008 (Gov. Msg. No. 668),

seconded by Senator Hooser.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1906 (Gov. Msg. No. 820):

Senator Baker moved that Stand. Com. Rep. No. 1906 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of DUANE M. ILSTRUP to the Health Planning Council, Hawaii County Subarea, term to expire June 30, 2009, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1907 (Gov. Msg. No. 573):

Senator Baker moved that Stand. Com. Rep. No. 1907 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of GARY SIMON to the Policy Advisory Board for Elder Affairs, term to expire June 30, 2009, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1908 (Gov. Msg. Nos. 577, 578 and 579):

Senator Baker moved that Stand. Com. Rep. No. 1908 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the Statewide Health Coordinating Council of the following:

LILI BRYAN-CONANT, term to expire June 30, 2009 (Gov. Msg. No. 577);

JOANNE H. KEALOHA, term to expire June 30, 2009 (Gov. Msg. No. 578); and

VIRGINIA PRESSLER MD, MBA, FACS, term to expire June 30, 2006 (Gov. Msg. No. 579),

seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1909 (Gov. Msg. No. 752):

Senator Baker moved that Stand. Com. Rep. No. 1909 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of G.M. MIKE DURANT to the Mental Health and Substance Abuse, Oahu Service Area Board, term to expire June 30, 2008, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1910 (Gov. Msg. Nos. 753, 754, 755, 756, 757, 758, 759 and 760):

Senator Baker moved that Stand. Com. Rep. No. 1910 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the State Council on Mental Health of the following:

GARY L. BLAICH MD, term to expire June 30, 2008 (Gov. Msg. No. 753);

SUSAN A. COOPER, term to expire June 30, 2009 (Gov. Msg. No. 754);

LEIALOHA G. K. JENKINS, term to expire June 30, 2007 (Gov. Msg. No. 755);

ALVA O. KANEAIKALA, term to expire June 30, 2009 (Gov. Msg. No. 756);

KUULEI A. KILIONA, term to expire June 30, 2008 (Gov. Msg. No. 757);

COLLEEN KU'ULANI MIYASHIRO, term to expire June 30, 2007 (Gov. Msg. No. 758);

PAULA T. T. MORELLI PHD, term to expire June 30, 2009 (Gov. Msg. No. 759); and

PIHANALANI N.E.J. NAPOLEON-GRAMBUSCH, term to expire June 30, 2007 (Gov. Msg. No. 760),

seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1911 (Gov. Msg. No. 816):

Senator Menor moved that Stand. Com. Rep. No. 1911 be received and placed on file, seconded by Senator Baker and carried.

Senator Menor then moved that the Senate advise and consent to the nomination of KEITH ROLLMAN to the Cable Advisory Committee, term to expire June 30, 2008, seconded by Senator Baker.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1912 (Gov. Msg. No. 819):

Senator Menor moved that Stand. Com. Rep. No. 1912 be received and placed on file, seconded by Senator Baker and carried.

Senator Menor then moved that the Senate advise and consent to the nomination of RILEY WILLIAM SMITH PE to

the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, term to expire June 30, 2009, seconded by Senator Baker.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1913 (Gov. Msg. No. 823):

Senator Menor moved that Stand. Com. Rep. No. 1913 be received and placed on file, seconded by Senator Baker and carried.

Senator Menor then moved that the Senate advise and consent to the nomination of WILLIAM G. OBANA MD to the Board of Medical Examiners, term to expire June 30, 2006, seconded by Senator Baker.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1914 (Gov. Msg. Nos. 488, 489, 490, 492, 493, 494, 495 and 496):

Senator Hee moved that Stand. Com. Rep. No. 1914 be received and placed on file, seconded by Senator Inouye and carried.

Senator Hee then moved that the Senate advise and consent to the nominations to the Hawaii Commission for National and Community Service of the following:

JANICE S. BOND, term to expire June 30, 2009 (Gov. Msg. No. 488);

ROBERT I. CROWELL, term to expire June 30, 2009 (Gov. Msg. No. 489);

DENNIS M. DUNN, term to expire June 30, 2009 (Gov. Msg. No. 490);

MABEL FERREIRO-FUJIUCHI, term to expire June 30, 2008 (Gov. Msg. No. 492);

RYAN R. PERREIRA, term to expire June 30, 2009 (Gov. Msg. No. 493);

LEE A. ROMBAOA, term to expire June 30, 2009 (Gov. Msg. No. 494);

RALPH STUEBER, term to expire June 30, 2008 (Gov. Msg. No. 495); and

TINA AULANI WILHELM, term to expire June 30, 2009 (Gov. Msg. No. 496),

seconded by Senator Inouye.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1915 (Gov. Msg. No. 699):

Senator Baker moved that Stand. Com. Rep. No. 1915 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of GLENN MORGAN to the Disability and Communication Access Board, term to expire June 30, 2009, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1916 (Gov. Msg. Nos. 702 and 703):

Senator Baker moved that Stand. Com. Rep. No. 1916 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the Emergency Medical Services Advisory Committee of the following:

DAVID F. MOORE, term to expire June 30, 2009 (Gov. Msg. No. 702); and

DANIEL E. SHAAL, term to expire June 30, 2008 (Gov. Msg. No. 703),

seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1917 (Gov. Msg. Nos. 817 and 818):

Senator Baker moved that Stand. Com. Rep. No. 1917 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of VENKATARAMAN BALARAMAN to the Drug Product Selection Board, terms to expire June 30, 2005, and June 30, 2009, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1918 (Gov. Msg. No. 821):

Senator Baker moved that Stand. Com. Rep. No. 1918 be received and placed on file, seconded by Senator Chun Oakland and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of VALERIE L. SIMONSEN to the Health Planning Council, Maui County Subarea, term to expire June 30, 2009, seconded by Senator Chun Oakland.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1919 (Gov. Msg. No. 706):

Senator Chun Oakland moved that Stand. Com. Rep. No. 1919 be received and placed on file, seconded by Senator Ihara and carried.

Senator Chun Oakland then moved that the Senate advise and consent to the nomination of CALVIN T. CHINEN to the Commission on Fatherhood, term to expire June 30, 2005, seconded by Senator Ihara.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1920 (Gov. Msg. Nos. 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735 and 736):

Senator Chun Oakland moved that Stand. Com. Rep. No. 1920 be received and placed on file, seconded by Senator Ihara and carried.

Senator Chun Oakland then moved that the Senate advise and consent to the nominations to the Statewide Council on Independent Living of the following:

WINNIFRED AOKI, term to expire June 30, 2008 (Gov. Msg. No. 723);

RACHEL CORDAY, term to expire June 30, 2008 (Gov. Msg. No. 724);

BARBARA FISCHLOWITZ-LEONG, term to expire June 30, 2008 (Gov. Msg. No. 725);

DARA Y. FUKUHARA, term to expire June 30, 2008 (Gov. Msg. No. 726);

FRANCINE M. KENYON, term to expire June 30, 2008 (Gov. Msg. No. 727);

VIRGINIA M. KLINE, term to expire June 30, 2008 (Gov. Msg. No. 728);

KEALOHA LAEMOA, term to expire June 30, 2008 (Gov. Msg. No. 729);

MARGARET LEVY-DOHANOS, terms to expire June 30, 2005, and June 30, 2008 (Gov. Msg. Nos. 730 and 731);

CHARLOTTE G. SMITH, term to expire June 30, 2008 (Gov. Msg. No. 732);

DIANA C. TIZARD, term to expire June 30, 2008 (Gov. Msg. No. 733);

ANDRICK C. TONG, term to expire June 30, 2008 (Gov. Msg. No. 734);

LINDA ANN WATSON, term to expire June 30, 2006 (Gov. Msg. No. 735); and

ED WEIL, term to expire June 30, 2008 (Gov. Msg. No. 736),

seconded by Senator Ihara.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

FINAL ADOPTION

S.C.R. No. 68, S.D. 1, H.D. 1:

On motion by Senator Hee, seconded by Senator Inouye and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 68, S.D. 1, and S.C.R. No. 68, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF AND ADDRESS VARIOUS MATTERS RELATING TO THE ADEQUACY OF THE MAINTENANCE, OPERATION, AND MANAGEMENT OF THE MAUNA KEA SCIENCE RESERVE," was Finally Adopted on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.C.R. No. 134, S.D. 1, H.D. 1:

On motion by Senator Kokubun, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 134, S.D. 1, and S.C.R. No. 134, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING THE LEASE OF SUBMERGED LANDS AT KEEHI SMALL BOAT HARBOR FOR REDEVELOPMENT, MANAGEMENT, AND OPERATION BY HONOLULU MARINE, INC., FOR A COMMERCIAL SHIP REPAIR FACILITY," was Finally Adopted on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.C.R. No. 140, H.D. 1:

On motion by Senator English, seconded by Senator Hanabusa and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 140 and S.C.R. No. 140, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ENVIRONMENTAL COUNCIL, WITH THE ASSISTANCE OF THE OFFICE OF ENVIRONMENTAL QUALITY CONTROL AND THE UNIVERSITY OF HAWAII ENVIRONMENTAL CENTER, TO DEVELOP AND PROMULGATE A GUIDANCE DOCUMENT ON INCLUDING PRINCIPLES OF ENVIRONMENTAL JUSTICE IN ALL PHASES OF ENVIRONMENTAL REVIEW UNDERTAKEN PURSUANT TO CHAPTER 343, HAWAII REVISED STATUTES," was Finally Adopted on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.C.R. No. 191, H.D. 1:

On motion by Senator Sakamoto, seconded by Senator Hooser and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 191 and S.C.R. No. 191, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO INCLUDE PERFORMANCE-BASED INCENTIVES WHEN CONTRACTING WITH EDUCATION SERVICE PROVIDERS FOR SCHOOL RESTRUCTURING UNDER THE NO CHILD LEFT BEHIND ACT," was Finally Adopted on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.C.R. No. 200, S.D. 1, H.D. 1:

On motion by Senator Hee, seconded by Senator Baker and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 200, S.D. 1, and S.C.R. No. 200, S.D. 1,

H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY AND RECOMMENDATIONS RELATING TO THE FEASIBILITY OF STEM CELL RESEARCH FOR HAWAII," was Finally Adopted on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

THIRD READING

Stand. Com. Rep. No. 1857 (H.B. No. 180):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1857 was adopted and H.B. No. 180, 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, 23. Noes, 2 (Slom, Whalen).

Stand. Com. Rep. No. 1858 (H.B. No. 465, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1858 was adopted and H.B. No. 465, H.D. 1, 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, 25. Noes, none.

Stand. Com. Rep. No. 1859 (H.B. No. 497, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1859 was adopted and H.B. No. 497, H.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, 23. Noes, 2 (Slom, Trimble).

Stand. Com. Rep. No. 1860 (H.B. No. 632):

On motion by Senator Taniguchi, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1860 was adopted and H.B. No. 632, 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, 25. Noes, none.

At 5:39 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:43 o'clock p.m.

Senator Taniguchi, Chair of the Committee on Ways and Means, requested that the referral of H.C.R. No. 172 to the Committee on Ways and Means be waived.

Senator Taniguchi noted:

"Mr. President, H.C.R. No. 172, H.D. 1, requests the auditor to perform a sunrise review of the regulation of payday lenders and deferred deposit check cashiers.

"The reason for this waiver is that there are no financial obligations as we can see at this point."

The Chair then granted the waiver.

By unanimous consent, the following concurrent resolution was placed on the calendar for adoption on Thursday, May 5, 2005:

H.C.R. No. 172, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO PERFORM A SUNRISE REVIEW OF THE REGULATION OF PAYDAY LENDERS AND DEFERRED DEPOSIT CHECK CASHERS."

ADJOURNMENT

At 5:44 o'clock p.m., on motion by Senator Hee, seconded by Senator Hogue and carried, the Senate adjourned until 10:00 o'clock a.m., Thursday, May 5, 2005.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate

ATTACHMENT "A"

**Measures Passed Out
of Conference**

**EDM Committee
May 3, 2005**

<p>FACILITIES/REPAIR & MAINTENANCE</p> <p>SB 1660 SD2 HD1 CD1 School Facilities; transfers management - <i>DOGS to DOE</i></p> <p>SB 1814 SD2 HD2 CD1 Impact Fees Working Group to revise funding for school construction</p> <p>HB 1295 HD2 SD2 CD1 King Intermediate; Asbestos testing for all projects</p> <p>HB 100 HD1 SD1 CD1 \$280 million in CIP - including \$100 million for school R & M \$460,000 for 3 Rs</p> <p>SPECIAL PURPOSE REVENUE BONDS</p> <p>SB 1483 SD1 HD1 CD1 Waimea Country School</p> <p>HB 1555 HD1 SD1 CD1 Hualalai Academy</p>	<p>PARENT / COMMUNITY</p> <p>SB 1253 SD1 HD1 CD1 School Community Councils - clarifies language</p> <p>CHARTER SCHOOLS</p> <p>SB 1643 SD2 HD2 CD1 Charter Schools Omnibus improves funding and administration of charter schools</p>	<p>STUDENTS</p> <p>SB 1816 SD2 HD2 CD1 Substance Abuse; Task Force</p> <p>HB 1550 HD1 SD1 CD1 Glucagon - Diabetes treatment for students</p> <p>SB 778 SD1 Emergency Appropriation; Autism ACT 6</p> <p>SB 1394 SD2 HD2 CD1 Federal Revenue Maximization Joint effort DOE/DHS/DOH</p> <p>HB 100 HD1 SD1 CD1 Substance Abuse</p>	<p>TEACHERS</p> <p>HB 844 HD1 SD2 CD1 Teacher Shortage Omnibus Teachers/UH/HTSB Improves "pipeline" to teaching profession</p> <p>SB 1250 SD2 HD2 CD1 Substitute Teachers; Per Diem Pay \$119/\$130/\$140</p> <p>SB 639 SD2 HD1 CD1 Housing; DOE Managed teacher housing moved from HCDC to DOE</p>	<p>ADMINISTRATION</p> <p>HB 841 SD2 CD1 Omnibus Misc. Information Technology - \$1,000,000 Workforce Development Council</p> <p>SB 1661 SD2 HD2 CD1 IDEA Compliance</p> <p>HB 843 HD1 SD1 CD1 School Lunch; Price</p> <p>HB 758 HD2 SD2 Minimum Wage/ School Workers</p> <p>HB 1614 HD1 SD2 CD1 Civil Service; DOE Employees (LBR/EDM)</p> <p>HB 100 HD1 SD1 CD1 12 Month Principals</p>
<p>LEARNING</p> <p>HB 1300 HD2 SD2 CD1 Early Childhood Education Task Force</p> <p>SB 1018 SD1 HD1 CD1 Licensing; Private Preschools (HMS/EDM)</p> <p>SB 1249 School-To-Work Executive Council ACT 19</p> <p>HB 100 HD1 SD1 CD1 Almost \$40,000,000 Department of Education budget</p>	<p>MILITARY</p> <p>HB 8 HD1 Medal of Honor for Hawaii connected soldiers</p> <p>HB 115 HD1 SD2 CD1 Military Omnibus Vets's Cemetery funding UH Re-entry Uniform Allowance</p> <p>HB 295 HD2 SD2 CD1 Prof. and Vocational Licensing grace period increased</p> <p>HB 1029 SD2 Funds veterans' Newsletter</p>			

Further Information

Please visit the following website: <http://www.capitol.hawaii.gov/> and go to bill status and documents; the bill information can be obtained.

Please call our office if you should have further questions.
 Senator Norman Sakamoto
 Chair, Senate Committee on Education & Military Affairs
 Phone: 586-8585 Fax: 586-8588
 Email: sensakamoto@capitol.hawaii.gov

ATTACHMENT "B"

2005 LEGISLATIVE BILLS			
HOUSING	EMPLOYMENT	EDUCATION	SUSTAINABILITY
SB 797 SD1 HD1 CD1 HCDC; housekeeping Amendment	SB 294 SD3 HD1 CD1 Minimum Wage	HB 1300 HD2 SD2 CD1 Early Childhood Education	SB 1592 SD1 HD2 CD1 2050 Sustainability Plan for Hawaii (\$)
SB 117 HD2 CD1 HCDC; Housing Development Contracts; Pukolili Village	SB 962 SD2 HD2 CD1 Prevailing Wages	HB 1608 HB1 SD2 CD1 VEBA Trust; Authorized	HB 109 HD1 SD2 CD1 Rural Lands; Golf Courses in Agricultural Districts (\$)
HB 931 HD1 SD2 Leasehold Conversion; Sustainable Affordable Housing; Exempt	HB 1758 HD1 SD1 CD1 Unemployment Benefits; Social Security Pension Payments	SB 1814 SD2 HD2 CD1 Impact Fees	HB 1308 HD1 SD2 CD1 Acquisition of Land for Conservation and Environmental Protection
HB 19 HD2 SD2 CD1 UH; Student Housing	HB 162 HD2 SD1 CD1 Public Works; Small Business Set-Asides	SB 1018 SD1 HD1 CD1 Licensing; Private Preschools	HB 422 HD2 SD2 CD1 Commercial Passenger Vessels; Discharges; DOH \$
SB 179 SD3 HD2 CD1 Housing Omnibus (\$)	HB 1305 HD1 Equal Pay	SB 1643 SD2 HD2 CD1 Charter School Omnibus	HB 1301 HD1 SD2 CD1 Coqui Frog Eradication
HB 1413 HD1 SD1 Hawaiian Homes Commission Act; Private Mortgage Insurance	SB 813 SD2 HD2 CD1 Workforce Development; Unemployment Trust Fund; Reed Act Funds; (\$)	HB 844 HB1 SD2 CD1 Teacher Retention/ Recruitment	HB 1640 HD3 SD2 CD1 Important Agricultural Lands; Identification and Designation (\$)
SB 1352 SD1 HD1 CD1 Collective Bargaining	SB 1352 SD1 HD1 CD1 Collective Bargaining		SB 1554 SD1 HD2 CD1 Environmental Workforce
TRANSPORTATION	DRUG/ICE & CRIME	UH	ENERGY/ENVIRONMENT
HB 1309 HD2 SD1 Public Transit; County Surcharge on State	SB 1100 SD2 HD1 CD1 Related to Pseudoephedrin oversight of sales	SB 1257 SD2 HD2 CD1 UH; Board of Regents; Candidate Advisory Council	HB 606 HD1 SD2 CD1 Renewable Energy Systems Over 10kw; Interconnection Standards
HB 150 HD2 SD1 CD1 Driver Licensing; Provisional Licenses; Persons Under 18	HB 1733 HD2 SD2 CD1 Crimes; DNA Testing; Retention of Evidence; Post-Conviction Relief	SB 1256 HD1 Constitutional Amendment; UH; Board of Regents	SB 1003 SD2 HD2 CD1 Net Energy Metering; Remove System Cap; Eligible Customer Generators
HB 438 HD1 SD2 CD1 Traffic Offenses; Pedestrian in Crosswalks	SB 708 SD2 HD2 CD1 Sex Offenders; Registration; Notification (\$)	SB 667 SD2 HD2 Emergency Appropriation for Flood Losses	SB 1427 SD1 HD2 CD1 State Procurement; Alternative Fuel Vehicles
	HB 919 HD1 SD2 Use of Intoxicants; Forfeiture of Vehicle	HB 19 HD 2 SD2 CD1 UH; Student Housing	
HEALTH	PROCUREMENT	BUDGET	CAMPAIGN SPENDING
HB 683 HD1 SD2 Making an emergency appropriation to the Dept. of Health for the Adult Mental Health Division ACT 43	SB 1843 SD1 HD2 CD1 Procurement; Indemnification; Construction Professional	HB 100 HD1 SD1 CD1 Provide for operating and capital improvement appropriations and authorizations for agencies in the Executive Branch for the fiscal biennium biennium 2005-2007 (CD1)	HB 1747 HD1 SD1 CD1 Campaign Spending; Campaign Contributions; Limitations
HB 1304 HD1 SD2 CD1 Healthcare Task Force	SB 1127 SD1 Public Procurement Code- Streamline		
SB 761 SD2 HD1 CD1 Mental Health - <i>redefines serious mental illness</i>	SB 1038 SD2 HD1 CD1 Hawaii Procurement Institute; UH; (\$)*		
	SCR 106 SD2 HD1 Legislative Task force: Hawaii Public Procurement Code - 4/30/05 Notice of Adoption		