

## TWENTY-SIXTH DAY

Tuesday, March 6, 2007

The Senate of the Twenty-Fourth Legislature of the State of Hawai'i, Regular Session of 2007, convened at 10:26 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Alan Urasaki, Chaplain, Pacific Buddhist Academy, after which the Roll was called showing all Senators present.

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

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 500 to 503) were read by the Clerk and were placed on file:

Gov. Msg. No. 500, dated January 19, 2007, transmitting the Incentive and Innovation Grant Trust Fund Report, prepared by the Department of Education pursuant to 302A-301, HRS.

Gov. Msg. No. 501, informing the Senate that on March 5, 2007, she signed into law House Bill No. 1073 as Act 2, entitled: "RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM."

Gov. Msg. No. 502, letter dated February 28, 2007, notifying the Senate that the decision of the arbitration panel for Bargaining Unit 11, represented by Hawaii Firefighters Association, was received on February 8, 2007, and pursuant to Section 89-11, HRS, transmitting for the Senate's consideration, a proposed Senate draft amending S.B. No. 1390 in its entirety to fund the settlement.

Gov. Msg. No. 503, letter dated March 2, 2007, transmitting proposed changes to the Executive Supplemental Budget for FY 2007 for various budget items for the Department of the Attorney General, the Department of Business, Economic Development and Tourism, the Department of Defense, the Department of Hawaiian Home Lands, Department of Land and Natural Resources, and the University of Hawaii at Manoa.

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 72 to 92) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 72, transmitting H.B. No. 345, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 345, entitled: "A BILL FOR AN ACT RELATING TO HOLIDAYS," passed First Reading by title and was deferred.

Hse. Com. No. 73, transmitting H.B. No. 613, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 613, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," passed First Reading by title and was deferred.

Hse. Com. No. 74, transmitting H.B. No. 660, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 660, entitled: "A BILL FOR AN ACT RELATING TO THE JURISDICTION OF THE CIRCUIT COURTS," passed First Reading by title and was deferred.

Hse. Com. No. 75, transmitting H.B. No. 1034, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1034, entitled: "A BILL FOR AN ACT RELATING TO TAXES," passed First Reading by title and was deferred.

Hse. Com. No. 76, transmitting H.B. No. 1103, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1103, entitled: "A BILL FOR AN ACT RELATING TO ASIAN LUNAR NEW YEAR COMMEMORATION," passed First Reading by title and was deferred.

Hse. Com. No. 77, transmitting H.B. No. 1153, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1153, entitled: "A BILL FOR AN ACT RELATING TO PRECURSORS TO THE MANUFACTURE OF CONTROLLED SUBSTANCES," passed First Reading by title and was deferred.

Hse. Com. No. 78, transmitting H.B. No. 1157, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1157, entitled: "A BILL FOR AN ACT RELATING TO DANGEROUS DRUGS," passed First Reading by title and was deferred.

Hse. Com. No. 79, transmitting H.B. No. 1158, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1158, entitled: "A BILL FOR AN ACT RELATING TO ARSON," passed First Reading by title and was deferred.

Hse. Com. No. 80, transmitting H.B. No. 1264, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1264, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed First Reading by title and was deferred.

Hse. Com. No. 81, transmitting H.B. No. 1336, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1336, entitled: "A BILL FOR AN ACT RELATING TO SANCTIONS FOR VIOLATIONS BY MORTGAGE BROKERS AND SOLICITORS COMMITTED AGAINST ELDERS," passed First Reading by title and was deferred.

Hse. Com. No. 82, transmitting H.B. No. 1358, H.D. 1, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1358, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PURPOSE OF THE HAWAII YOUTH CORRECTIONAL FACILITY," passed First Reading by title and was deferred.

Hse. Com. No. 83, transmitting H.B. No. 1563, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1563, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 84, transmitting H.B. No. 1564, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1564, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 85, transmitting H.B. No. 1566, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1566, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 86, transmitting H.B. No. 1567, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1567, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," passed First Reading by title and was deferred.

Hse. Com. No. 87, transmitting H.B. No. 1568, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1568, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 88, transmitting H.B. No. 1569, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1569, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 89, transmitting H.B. No. 1570, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1570, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 90, transmitting H.B. No. 1572, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1572, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 91, transmitting H.B. No. 1573, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1573, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR SALARY INCREASES FOR PUBLIC EMPLOYEES," passed First Reading by title and was deferred.

Hse. Com. No. 92, transmitting H.B. No. 1612, which passed Third Reading in the House of Representatives on March 2, 2007, was placed on file.

On motion by Senator Ige, seconded by Senator Whalen and carried, H.B. No. 1612, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER CREDIT REPORTING AGENCIES," passed First Reading by title and was deferred.

## ORDER OF THE DAY

### ADVISE AND CONSENT

#### MATTERS DEFERRED FROM FRIDAY, MARCH 2, 2007

Stand. Com. Rep. No. 641 (Gov. Msg. No. 271):

Senator Inouye moved that Stand. Com. Rep. No. 641 be received and placed on file, seconded by Senator Tsutsui and carried.

Senator Inouye then moved that the Senate advise and consent to the nomination of MAJOR GENERAL ROBERT G. F. LEE as Adjutant General and Director of Civil Defense, term to expire December 6, 2010, seconded by Senator Tsutsui.

Senator Inouye rose to speak in support of the nominee and said:

"Madam President, I rise to speak in support of Gov. Msg. No. 271, Major General Robert G.F. Lee, for consideration and confirmation as Adjutant General and Director of Civil Defense.

"Major General Lee received his commission through the ROTC at the University of Hawaii, where he also received his BS in Mechanical Engineering and an MBA.

"In March 2003, General Lee was promoted to major general, the highest rank attainable in the Hawaii National Guard. As major general, he plays a vital role in homeland security and responding to natural disasters in Hawaii. Major General Lee now serves as the Homeland Security Advisor to the Governor, Director of the State Civil Defense, and Adjutant General for the State of Hawaii Department of Defense in charge of the Army and Air National Guard.

"During his hearing before the IGM Committee last week, Major General Lee received considerable testimony in support of his nomination. He was described as 'an inspirational leader with great vision and compassion.' Another wrote, 'His command of the Hawaii National Guard has been extraordinary.'

"I am convinced that General Lee is the most qualified and suitable person to continue serving as Adjutant General and Director of Civil Defense. I urge my colleagues to join me in voting to advise and consent to his nomination.

"Thank you, Madam President."

Senator Gabbard rose in support of the nomination as follows:

"Madam President, I rise in strong support of the reconfirmation of Major General Robert Lee.

"General Lee has shown great leadership during the last four years in overseeing the deployment and safe return of Hawaii's National Guard troops in Iraq and Afghanistan and in responding to natural disasters in our State.

"I've got a very personal reason to support General Lee in that he helped bring my daughter, the former Representative Tulsi Gabbard Tamayo, and her comrades in the 29<sup>th</sup> Brigade home safely.

"Thank you, Madam President."

Senator Hemmings rose to speak in favor of the nomination and stated:

"Madam President, I rise to speak in favor of the nominee.

"Before I do so, I want to acknowledge the Chairman of the Intergovernmental and Military Affairs Committee for conducting an expeditious hearing on this nominee and also for making decisions based on ability and performance and not on extraneous information or hearsay. I would like to also remember, for the purposes of this nominee, that this department was once in the backwaters of state government, but now with the homeland security being such a big issue and in the wake of the recent earthquake, we realize the importance of the civil defense and this position.

"In addressing the qualifications of General Lee, I'd like the record to reflect that this is a man who is most qualified and an honorable man, and I think we're served well by advise and consent today in confirming his re-nomination.

"Thank you, Madam President."

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At this time, Senator Inouye introduced Major General Lee and his family to the members of the Senate.

Stand. Com. Rep. No. 647 (Gov. Msg. No. 301):

Senator Inouye moved that Stand. Com. Rep. No. 647 be received and placed on file, seconded by Senator Tsutsui and carried.

Senator Inouye then moved that the Senate advise and consent to the nomination of GERALD L. COFFEE to the Civil Defense Advisory Council, term to expire June 30, 2011, seconded by Senator Tsutsui.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 648 (Gov. Msg. Nos. 392, 393 and 394):

Senator Inouye moved that Stand. Com. Rep. No. 648 be received and placed on file, seconded by Senator Tsutsui and carried.

Senator Inouye then moved that the Senate advise and consent to the nominations to the Advisory Board on Veterans' Services of the following:

CYNTHIA L. STINE, term to expire June 30, 2011 (Gov. Msg. No. 392);

WILLIAM T. HONJIYO, term to expire June 30, 2011 (Gov. Msg. No. 393); and

GILBERT N. HOUGH, term to expire June 30, 2009 (Gov. Msg. No. 394),

seconded by Senator Tsutsui.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

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

At 10:36 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

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

### THIRD READING

#### MATTER DEFERRED FROM THURSDAY, MARCH 1, 2007

S.B. No. 1702, S.D. 1:

Senator Menor moved that S.B. No. 1702, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hooser.

Senator Menor then offered the following amendment (Floor Amendment No. 1) to S.B. No. 1702, S.D. 1:

**SECTION 1. Senate Bill No. 1702, S.D. 1, is amended by amending Section 1 to read as follows:**

“SECTION 1. Section 342G-113, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- “(b) Subsection (a) shall not apply to any dealer:
- [(1)] ~~Who is located in a high density population area as defined by the director in rules, and within two miles of a certified redemption center that is operated independently of a dealer;~~
  - [(2)] ~~Who is located in a rural area as defined by rule;~~
  - [(3)] (1) Who subcontracts with a certified redemption center to be operated on the dealer’s premises[;] or within one thousand feet of the premises; except that dealers who are located within the same shopping center may share a coordinated redemption center on the premises of the shopping center that is not located on either dealer’s premises or within one thousand feet of either dealer; provided that the coordinated redemption center is located within the premises of the shopping center.
  - [(4)] (2) Whose sales of deposit beverage containers are only via vending machines;
  - [(5)] (3) Whose place of business is less than [five] ten thousand square feet of interior space;
  - [(6)] (4) Who can demonstrate physical or financial hardship, or both, based on specific criteria established by rule; or
  - [(7)] (5) Who meets other criteria established by the director.

[Notwithstanding paragraphs (1) and (2), the] The director may allow the placement of redemption centers at greater than prescribed distances to accommodate geographical features while ensuring adequate consumer convenience.”

**SECTION 2. Senate Bill No. 1702, S.D. 1, is amended by amending page 3, line 19 to page 4, line 2, to read as follows:**

“(5) Remain open at least thirty-five hours per week, of which not less than five hours shall be on a Saturday or Sunday; provided that the center is located in a high density population area as defined by the director in rules; and”

**SECTION 3. Section 2 of Senate Bill No. 1702, S.D. 1, is amended by deleting the quote at the end of subsection (g) and adding a new subsection (h) to section 342G-114, Hawaii Revised Statutes, to read as follows:**

“(h) The department shall encourage the facilitation of agreements between shopping center managers or owners, store owners, and dealers to establish redemption centers.”

**SECTION 4. Senate Bill No. 1702, S.D. 1, is amended by amending Section 6 to read as follows:**

“SECTION 6. This Act shall take effect on July 1, 2020.”

Senator Menor moved that Floor Amendment No. 1 be adopted, seconded by Senator Hooser.

Senator Menor rose in support of the floor amendment as follows:

“Madam President, I would respectfully ask my colleagues to vote in favor of this floor amendment because it would improve an important pro-environment bill.

“There are four key provisions in this floor amendment. The first provision would give retailers that do not wish to set up

redemption areas in their stores the option to subcontract with the recycling company or other entity to operate a redemption center on the premises of the shopping center in which the retailers are located even if the redemption center is located more than 1,000 feet from the retailer’s premises. I’d like to note that this kind of arrangement has been working quite well in the community of Mililani, which I represent, where a certified redemption facility has been operating in the parking lot of the Mililani Town Center and providing redemption services to customers who have been very satisfied that they’ve been able to redeem near where they shop.

“The second key provision would exempt retailers whose place of business is less than 10,000 square feet of interior space. This would address the concerns of several of my colleagues about exempting the smaller ‘mom and pop stores which means that the redemption requirements would apply only to ‘big box’ retailers and the big food chains.

“The third key provision would require the Department of Health to encourage the facilitation of agreements between shopping center managers or owners, store owners, and dealers to establish redemption centers. This provision would further assist retailers that conduct business in a shopping center and who want to consolidate their redemption functions by setting up a redemption facility in the parking lot of a shopping center or in an accessible area in a shopping mall. We’ve also inserted a delayed effective date to encourage further discussion.

“Madam President, these amendments together with the other provisions of S.B. No. 1702, S.D. 1, would bring our bottle law into line with the laws of other states. It should be emphasized that most of the other states that have bottle laws require retailers to participate in the redemption process and they’ve been able to achieve redemption rates that are higher than what we’ve been able to achieve here in Hawaii. In my mind, if the retailers on the mainland can participate in redemption, I believe that many of the retailers in Hawaii should be able to do the same. There’s no justifiable reason why large retailers in Hawaii should be given preferential treatment and exempted from participating in a program that’s designed to encourage the recycling of beverage containers that they put in the hands of consumers.

“I’d also like to point out that if retailers are unable, for whatever reason, to participate in redemption, the current law allows a retailer to obtain an exemption from the Department of Health if they can demonstrate physical or financial hardship, or both, based on criteria established by the Department of Health.

“I’d also like to point out that the administration supports a measure to require retailers to accept redemptions. In fact, last Session and this Session they introduced legislation that would accomplish that objective.

“Finally, Madam President, although our deposit beverage container law has generally been working, it can and should be improved. According to the Sierra Club, at least one quarter of a billion beverage containers in Hawaii are not being recycled annually and are winding up in the waste stream. Clearly, more needs to be done to encourage and to increase recycling efforts in Hawaii. In that regard, this floor amendment, along with the other provisions of S.B. No. 1702, S.D. 1, would go a long way to achieving this objective.

“Accordingly, I respectfully ask my colleagues to support this floor amendment so it can be positioned for a final vote on Thursday. Thank you.”

Senator Slom rose to speak against the floor amendment and stated:

“Madam President, I rise in opposition to the amendment.

“While I applaud the good Senator’s efforts to mitigate the problems caused for the smallest of businesses, this still is a problem that causes problems for businesses in our state and adds additional costs which eventually are passed on to all consumers. This bill and this law have been flawed from the very beginning. The arguments, of course, were that we’re going to take massive amounts of bottles and cans out of the waste stream, out of the areas particularly in your district, Madam President. We have no evidence to indicate that in fact there has been a sizable reduction in the amount of bottles and cans going into the landfill.

“What we do have is a tax which has taken a great deal of money from individuals. We see that the subsidies have been paid to recyclers, and recyclers turned around then and cheated little boys and little girls from the actual count of cans and bottles that they returned, opting instead to weigh the amounts and provide a far lesser amount.

“We also see that the State has been the real winner in all of this, sitting on approximately still yet \$24 to \$25 million in moneys from this tax program. While the good Senator talks about other states, independent research will tell you that there is no other state, no other state in the Union, that has a recycling program like ours where the state actually benefits in a financial way and which the desired results are not quantifiable.

“So, I think that while this may have been an effort of good faith and an effort in good direction, if you have to force people to do things, then there’s something wrong with the law, there’s something wrong with the policy, and that’s what’s wrong with this amendment.

“Thank you, Madam President.”

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

By unanimous consent, S.B. No. 1702, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

**THIRD READING**

S.B. No. 1689, S.D. 1:

Senator Baker moved that S.B. No. 1689, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble then offered the following amendment (Floor Amendment No. 2) to S.B. No. 1689, S.D. 1:

**SECTION 1. Senate Bill 1689, Senate Draft 1, section 1 is amended as follows:**

**1. By amending the definition of “state award” to read:**

““State award”:

- (1) Means state financial assistance and expenditures that:
  - (A) include grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance;
  - (B) include contracts, subcontracts, purchase orders, task orders, and delivery orders;
  - (C) include tax credits allowed by sections 235-110.51, 235-110.9, and 235-110.91;

- (2) Does not include individual transactions below \$25,000; and
- (3) Before October 1, 2009, does not include credit card transactions.”

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

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

“Madam President, I wish to thank the good Senator from Kaimuki for offering S.B. No. 1689. I think it’s long overdue and well deserved. The people have a right to know and have convenient access to where their money is going, where the state is spending its money. This bill provides that information.

“The amendment offered is merely that of a clarification and amplification that the information to be disclosed to the public also was intended to include that of tax forgiveness or tax credits under things like Act 221 and 225. Essentially what we are saying is there is no difference between the state spending money and the state giving tax forgiveness in the form of tax credits.

“I wish to further encourage my colleagues to vote for this measure by assuring them that my risings will be very judicious should this measure pass. Thank you.” (Laughter.)

The motion to adopt Floor Amendment No. 2 was put by the Chair and failed to carry.

The motion to pass S.B. No. 1689, S.D. 1, on Third Reading was then put by the Chair and carried, S.B. No. 1689, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE FUNDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 896 (S.B. No. 96, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 896 be adopted and S.B. No. 96, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hee then offered the following amendment (Floor Amendment No. 3) to S.B. No. 96, S.D. 2:

**SECTION 1. To add a new section to SB No. 96, S.D. 2 to read as follows:**

“SECTION 1. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§302A- Employees of the department and teacher trainees in any public school; reasonable suspicion testing; employee assistance.** (a) The department, including the Hawaii state public library system, shall develop procedures for reasonable suspicion testing to obtain verifiable information regarding use of controlled substances under chapter 329, by persons who are employed in any position, including teacher trainees, that places them in close proximity to children. These procedures shall comply with chapter 329B.

Information obtained pursuant to this subsection shall be used exclusively by the employer for the purpose of determining whether a person is suitable for working in close proximity to children.

An employee who refuses to submit to drug testing under this subsection shall be placed on mandatory administrative leave of thirty days.

(b) If the test results under subsection (a) are positive, the employer may impose the following sanctions:

- (1) Refuse to issue a teaching or other educational certificate;
- (2) Revoke the teaching or other educational certificate;
- (3) Refuse to allow or continue to allow participation in teacher training;
- (4) Terminate the employment of any employee or deny employment to an applicant; or
- (5) Impose other administrative sanctions, including but not limited to, administrative leave.

if the employer finds by reason of the nature and circumstances of the use of controlled substances that the person poses a risk to the health, safety, or well-being of children, or otherwise negatively influences children by setting a detrimental example. Sanctions under this subsection may occur only after appropriate investigation and notification to the employee of the results and planned action, and after the employee is given an opportunity to meet and rebut the finding. Nothing in this subsection shall abrogate any applicable appeal rights under chapter 76 or 89, or administrative rule of the department.

(c) In addition to the sanctions under subsection (b), the department, by adoption of rules pursuant to chapter 91, shall provide for substance abuse assessment, treatment, and counseling, and referral to the employee assistance program under subsection (e) if suitable, if the department determines to retain the employee; provided that evidence of clinical discharge from substance abuse treatment or substance abuse counseling shall be a prerequisite to continued employment.

(d) Notwithstanding any other law to the contrary, for purposes of this section, the department need not conduct investigations, notifications, or hearings under this section in accordance with chapter 91.

(e) This section shall not apply to volunteers or other non-remunerated personnel providing support services at individual schools or any employee subject to a substance abuse testing policy under a valid collective bargaining agreement.”

Section 2. Sections 1 to 6 are renumbered as Sections 2-7, respectively.

Senator Hee moved that Floor Amendment No. 3 be adopted, seconded by Senator Kokubun.

Senator Hee rose in favor of the floor amendment as follows:

“Madam President, it’s no secret today that drugs are pervasive and have reached everywhere in society, not the least of which is in the Department of Education. Recently, at least in the recent past, four teachers have either been accused or have pled guilty to having an involvement with drugs.

“The HSTA has come under strict scrutiny by the public, and in fact, in recent media reports, they have been very critical of the teachers union for being truculent as opposed to being proactive when it comes to drug testing by teachers. As a result of the criticism, on Wednesday, February 28, 2007, Roger Takabayashi, the President of the Hawaii State Teachers Association, in a letter to the Editor, entitled: ‘HSTA for Test when Drug Use is Suspected,’ said in part, ‘For the record, HSTA has long been a strong supporter of drug-free schools. We believe no employee should come to school under the influence of drugs or alcohol. . . . Our proposal would drug test teachers when a supervisor has reasonable suspicion a teacher may be under the influence of drugs and provide rehabilitation for offenders – and there are harsh penalties for teachers who fail to cooperate.’

“The Honolulu Advertiser said recently, ‘Drug abuse within the school environment can’t be tolerated. That much is clear. . . . Whenever there’s a disturbing development – such as the latest report of a public school teacher arrested for a drug

offense – public pressure mounts for a crackdown to prevent this from happening again. And who could be surprised by that reaction? Protecting our children must be our top priority. Public employees working with children have a responsibility to serve as role models; drug use runs counter to that role. Drug use also diminishes employees’ ability to perform their duties. . . . To postpone adopting a new strategy any longer would be intolerable. If those entrusted with the schooling of our children won’t address the matter themselves, the public will be forced to address it for them as a last resort.’

“Members and colleagues, Senate floor amendment no. 3 does just that. In keeping with the comments of the President of HSTA, this amendment does not call for random drug testing, but rather reasonable suspicion. Members, I urge a ‘yes’ vote on this amendment.

“Thank you, Madam President.”

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

Senator Hee then moved that Stand. Com. Rep. No. 896 be received and placed on file, seconded by Senator Kokubun and carried.

By unanimous consent, S.B. No. 96, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

Stand. Com. Rep. No. 922 (S.B. No. 1307, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 922 be adopted and S.B. No. 1307, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Baker then offered the following amendment (Floor Amendment No. 4) to S.B. No. 1307, S.D. 2:

SECTION 1. Senate Bill 1307, S.D. 2, is amended by:

1. Amending page 2, line 6, to read as follows:

“island fresh beef, pork, chicken, and eggs.”

2. Amending page 2, line 7, to read as follows:

“Fresh beef, pork, chickens, and eggs provide essential”

3. Amending page 2, line 12, to read as follows:

“Without these local industries, all beef, milk, pork, chicken,”

4. Amending page 2, line 19, to read as follows:

“disburse funds to qualified cattle, dairy, hog, and poultry farms that”

SECTION 2. Section 2 of Senate Bill No. 1307, S.D. 1, is amended by amending the definition of “qualified producer” in section -1 to read as follows:

“Qualified producer” means any person that at the time of application for and disbursement of funds under this chapter is in the business of producing:

- (1) Milk for a herd, located in Hawaii, if not less than three hundred fifty cows;
- (2) Poultry products form a flock, located in Hawaii, of not less than three thousand birds; [ø]

- (3) Pork from a herd, located in Hawaii, of ten sows or one hundred fifty pigs[-]; or
- (4) Beef from a herd, located in Hawaii, of not less than head of cattle.

SECTION 3. Section 2 of Senate Bill No. 1307, S.D. 2, is amended by amending subsections (a) and (b) of section -3 to read as follows:

“(a) Applications for grants by qualified producers shall be submitted on a form furnished by the department and shall be filed with accompanying documentation of animal feed costs; provided that:

- (1) The applicant shall comply with applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (2) The applicant shall have applied for or received all applicable licenses or permits;
- (3) The applicant shall indemnify and hold harmless the State and its officers, agents, and employees from all claims arising out of or resulting from the feed purchased;
- (4) The subsidy shall not be allowed within a fiscal quarter if the flock or herd size falls per cent or more below the required minimum three thousand birds, minimum three hundred fifty cows, [ø] minimum ten sows or one hundred fifty pigs, or minimum head of cattle in any two months of the applicable fiscal quarter; and
- (5) The department may request an applicant to provide necessary information for the purposes of verifying flock or herd size and feed purchases.

(b) Documentation of animal feed costs [~~and other shipping documents~~], as requested by the department, shall be filed for feed purchased within the immediate preceding fiscal quarter of filing and shall be effective for feed costs incurred after July 1, 2007.”

SECTION 4. Senate Bill No. 1307, S.D. 2, is amended by amending section 3 to read as follows:

“SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ , or so much thereof as may be necessary for fiscal year 2007-2008, and the same sum, or so much thereof as may be necessary for fiscal year 2008-2009, for the market development division of the department of agriculture to disburse funds to qualified producers of beef, milk, pork, and poultry for the cost of feed for beef cattle, dairy cows, hogs, or poultry and to provide for the administrative costs of the livestock revitalization program.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.”

Senator Baker moved that Floor Amendment No. 4 be adopted, seconded by Senator Kokubun.

Senator Baker rose in support of the floor amendment and stated:

“Madam President, members, this floor amendment adds the beef industry to those other agricultural growers and producers that might be able to receive relief on the cost of their feed. We know that we’re trying to continue to keep all of our agricultural products viable in our state and beef needs the assistance as well as dairy, poultry, and pork.

“Thank you.”

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

Senator Baker then moved that Stand. Com. Rep. No. 922 be received and placed on file, seconded by Senator Kokubun and carried.

By unanimous consent, S.B. No. 1307, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO AGRICULTURE,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

Stand. Com. Rep. No. 957 (S.B. No. 667, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 957 be adopted and S.B. No. 667, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Ige then offered the following amendment (Floor Amendment No. 5) to S.B. No. 667, S.D. 2:

**SECTION 1. Senate Bill No. 667, S.D. 2, is amended by adding a new Section 3 to read as follows:**

“SECTION 3. Section 26H-4, Hawaii Revised Statutes, is amended to read as follows:

“§26H-4 Repeal dates for newly enacted professional and vocational regulatory programs. [(a)] Any professional or vocational regulatory program enacted after January 1, 1994, and listed in this section shall be repealed on December 31, 2008. The auditor shall perform an evaluation of the program, pursuant to section 26H-5, prior to its repeal date[-

(b) ~~Chapter~~; provided that chapter 453D (mental health counselors) shall not be repealed [~~on December 31, 2008~~].”

**SECTION 2. Senate Bill No. 667, S.D. 2, is amended by renumbering Sections 3 and 4 as Sections 4 and 5, respectively.**

Senator Ige moved that Floor Amendment No. 5 be adopted, seconded by Senator Taniguchi.

Senator Ige rose to support the floor amendment and said:

“Madam President, this floor amendment just deletes the repeal date for the licensing of these mental health professionals.”

The motion to adopt Floor Amendment No. 5 was put by the Chair and carried.

Senator Ige then moved that Stand. Com. Rep. No. 957 be received and placed on file, seconded by Senator Taniguchi and carried.

By unanimous consent, S.B. No. 667, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO MENTAL HEALTH COUNSELORS,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

Stand. Com. Rep. No. 1019 (S.B. No. 1792, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1019 be adopted and S.B. No. 1792, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Ige then offered the following amendment (Floor Amendment No. 6) to S.B. No. 1792, S.D. 2:

**SECTION 1. Senate Bill No. 1792, S.D. 2, is amended by amending Section 40 to read as follows:**

“SECTION 40. This Act shall take effect on July 1, 2050; provided that section 2 shall take effect on July 1, 2051.”

Senator Ige moved that Floor Amendment No. 6 be adopted, seconded by Senator Baker.

Senator Ige rose in support of the floor amendment as follows:

“Madam President, this floor amendment simply inserts a delayed effective date into this measure. This is a very important piece of legislation and we would certainly like to encourage full and free discussion on all different options as we proceed. Thank you.”

The motion to adopt Floor Amendment No. 6 was put by the Chair and carried.

Senator Ige then moved that Stand. Com. Rep. No. 1019 be received and placed on file, seconded by Senator Baker and carried.

By unanimous consent, S.B. No. 1792, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

Stand. Com. Rep. No. 1028 (S.B. No. 1276, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1028 be adopted and S.B. No. 1276, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Ige then offered the following amendment (Floor Amendment No. 7) to S.B. No. 1276, S.D. 2:

**SECTION 1. Senate Bill No. 1276, S.D. 2, is amended by amending Section 1 to read as follows:**

“SECTION 1. The legislature finds that the request for new commercial activity transporting passengers and their vehicles to utilize already crowded harbors has caused concern about the impact of such activity on other harbor users and the surrounding community. Increased traffic congestion, spread of invasive species, and threats to migrating humpback whales are indicative of concerns raised. The legislature further finds that there is confusion and ambiguity regarding the requirements for an environmental impact statement under chapter 343, Hawaii Revised Statutes. The legislature also finds that all major state commercial harbor improvements should comply with the environmental review process. The legislature further finds that the department of transportation may have abused its discretion in determining that the expenditure of substantial public funds for improvements to commercial harbors throughout the State to accommodate the operation of vessels that carry passengers and their vehicles between Hawaii’s islands did not require an environmental review pursuant to chapter 343, Hawaii Revised Statutes.

The legislature is concerned that any mitigating measures that may be contained in an environmental impact statement may not be implemented in the operation of vessels that carry passengers and their vehicles between Hawaii’s islands that require commercial harbor improvements.

The purpose of this Act is to:

- (1) Confirm the intent of the requirements imposed under chapter 343, Hawaii Revised Statutes, regarding when the need for an environmental impact statement is to be triggered with respect to major commercial harbor improvements undertaken to accommodate the operation of vessels that carry passengers and their vehicles between Hawaii’s islands;

- (2) Require the preparation of an environmental impact statement pursuant to chapter 343, Hawaii Revised Statutes, for major improvements being made to commercial harbors in the State that require the expenditure of public funds to accommodate the operation of vessels that carry passengers and their vehicles between Hawaii’s islands; and
- (3) Require that the department of transportation implement any mitigating measures that may be recommended in the environmental impact statement and, to the extent necessary, amend its agreement with any business or entity operating or proposing to operate vessels that carry passengers and their vehicles between Hawaii’s islands and for which the operation thereof requires major commercial harbor improvements to require that the business or entity implement any recommended mitigative measure in its operations.”

**SECTION 2. Senate Bill No. 1276, S.D. 2, is amended by deleting Sections 4 and 5.**

**SECTION 3. Senate Bill No. 1276, S.D. 2, is amended by adding a new section to read as follows:**

“SECTION 4. The department of transportation shall pay for an environmental impact statement under section 2 of this Act out of its existing funds.”

**SECTION 4. Senate Bill No. 1276, S.D. 2, is amended by renumbering Section 6 as Section 5 and amending it to read as follows:**

“SECTION 5. This Act shall take effect on July 1, 2007.”

Senator Ige moved that Floor Amendment No. 7 be adopted, seconded by Senator Sakamoto.

Senator Ige rose in support of the floor amendment as follows:

“Madam President, this floor amendment simply changes the requirements for an EIS in regards to the Superferry. First, the amendment would ensure that the Superferry would be able to proceed with current plans to launch this summer. Second, the amendment puts the onus on the Department of Transportation to conduct environmental impact statements. It’s clear from testimony presented to the Committees that there are environmental concerns that must be addressed. The third thing the amendment does is it instructs the department to work with any providers to mitigate any concerns that are raised during the environmental impact statements.

“So, I think that this is a good floor amendment that creates a ‘win/win’ situation for all of us in this community.”

Senator Slom rose in opposition to the floor amendment and stated:

“Madam President, I rise in opposition to the amendment.

“We applaud the authors of the amendment for having some movement in this direction regarding the Superferry, but I’m not convinced that what we’re doing is, as the previous speaker said, going to ensure that the Superferry is able to begin operations July 1<sup>st</sup> as scheduled, as planned, and as the vast majority of people in this State want.

“I think that what we’ve simply done is to move the environmental impact statement requirement from the Superferry to the Department of Transportation Harbors Division. Have there been problems and are there problems



with the Harbors Division, Department of Transportation? You bet. Are there legitimate concerns on each of the islands, including this island, regarding traffic and invasive species and other considerations? You bet. But, is the imposition of an environmental impact statement against this new mode of transportation really the answer to possibly 30 years or 40 years of included neglect and also inaction and inactivity from the department?

“My belief is that by shifting and keeping a responsibility for an EIS and in fact strengthening it, because you’re talking about, in the amendment, mitigating factors, that in fact you’re going to be inviting law suits, and going to be inviting opportunities for those who are opposed not only to the Superferry, but also to changes in transportation that will unite our islands and our State. You’re giving them the opportunity to further litigation and to delay or to stop this project. And while the Department of Transportation and the Harbors Division have specific responsibilities and they need to address those responsibilities, I think that again it’s basically just a shift in strategy in terms of trying to delay this project.

“I also believe that those people that oppose not only the Superferry but also they’ve opposed other developments and other transportation alternatives, didn’t suddenly come to the conclusion – well, okay, let’s let the Superferry go; let’s forget about all of our complaints, and all of our protests, and all of our rallies, and all of our petitions, and all of our emails, and let it go and just put the onus on the Department of Transportation. As long as we have lawyers, as long as we have law suits, as long as we have individuals and organizations that have told us repeatedly they are committed to stopping this alternative form of transportation, then I don’t think it’s important enough to say we have made the change to the Department of Transportation, and therefore I oppose this amendment.

“Thank you.”

Senator Espero rose in support with reservations and said:

“Madam President, I’d like to rise in support of this measure with reservations.

“I believe, Madam President, that this issue is important enough to continue the discussion and dialogue and to move over to the House to see what further amendments or changes they may suggest. This is a controversial issue for many individuals. However, we are looking at a mode of transportation which I believe will be highly used by residents and businesses throughout this state.

“I am concerned about some of the liability issues and future lawsuits which may occur, but I do feel that this is a measure which should continue and not be stopped at this time. Thank you, Madam President.”

President Hanabusa then called for the vote.

Senator Ihara rose and said:

“Madam President, could we have a brief recess please.”

Senator Whalen interjected:

“Point of order. You can’t call recess in the middle of a vote.”

Senator Ihara then said:

“Well, I actually called for it earlier but she didn’t . . .”

Senator Whalen interjected again:

“Point of order. You weren’t acknowledged, so you’re not allowed to speak until you are. Come on ‘Mr. Rules,’ you know that.”

The motion to adopt Floor Amendment No. 7 was put by the Chair and carried.

At 11:38 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:47 o’clock a.m.

Senator Ige then moved that Stand. Com. Rep. No. 1028 be received and placed on file, seconded by Senator Sakamoto and carried.

By unanimous consent, S.B. No. 1276, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO THE ENVIRONMENT,” was placed on the calendar for Third Reading on Thursday, March 8, 2007.

**RECOMMITTALS**

S.B. No. 1248, S.D. 1:

On motion by Senator Ige, seconded by Senator Sakamoto and carried, S.B. No. 1248, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ELECTRICAL LICENSING,” was recommitted to the Committee on Commerce, Consumer Protection and Affordable Housing.

S.B. No. 1550:

On motion by Senator Ige, seconded by Senator Sakamoto and carried, S.B. No. 1550, entitled: “A BILL FOR AN ACT RELATING TO THE PRIMARY ELECTION DATE,” was recommitted to the Committee on Judiciary and Labor.

S.B. No. 702, S.D. 1:

On motion by Senator Ige, seconded by Senator Sakamoto and carried, S.B. No. 702, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FIREARMS,” was recommitted to the Committee on Judiciary and Labor.

Stand. Com. Rep. No. 974 (S.B. No. 470, S.D. 2):

On motion by Senator Ige, seconded by Senator Sakamoto and carried, Stand. Com. Rep. No. 974 and S.B. No. 470, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EMPLOYMENT,” was recommitted to the Committee on Judiciary and Labor.

**THIRD READING**

**MATTERS DEFERRED FROM FRIDAY, MARCH 2, 2007**

S.B. No. 1311:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1311, entitled: “A BILL FOR AN ACT RELATING TO SALARY PAYMENTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1523:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1523, entitled: "A BILL FOR AN ACT RELATING TO DISHONORED PAYMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 650 (S.B. No. 678, S.D. 1):

On motion by Senator Fukunaga, seconded by Senator Baker and carried, Stand. Com. Rep. No. 650 be adopted and S.B. No. 678, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 662 (S.B. No. 823, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 662 was adopted and S.B. No. 823, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 699 (S.B. No. 1674, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 699 was adopted and S.B. No. 1674, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 923:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 923, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1017:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1017, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 702 (S.B. No. 1249, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 702 was adopted and S.B. No. 1249, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 703 (S.B. No. 1364, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 703 was adopted and S.B. No. 1364, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL SITE CLEANUP," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 705 (S.B. No. 600):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 705 was adopted and S.B. No. 600, entitled: "A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 706 (S.B. No. 898, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 706 was adopted and S.B. No. 898, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY TAX INCENTIVES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 707 (S.B. No. 1497, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 707 was adopted and S.B. No. 1497, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 712 (S.B. No. 1454):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 712 be adopted and S.B. No. 1454, entitled: "A BILL FOR AN ACT RELATING TO THE HOSPITAL AND MEDICAL FACILITIES SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

### THIRD READING

S.B. No. 247, S.D. 1:

On motion by Senator Nishihara, seconded by Senator Kim and carried, S.B. No. 247, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ASIAN LUNAR NEW YEAR COMMEMORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 866, S.D. 1:

On motion by Senator Nishihara, seconded by Senator Kim and carried, S.B. No. 866, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1613, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1613, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1617, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1617, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIMITING CIVIL LIABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 660 (S.B. No. 58, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 660 was adopted and S.B. No. 58, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DENTISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 661 (S.B. No. 1016, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 661 was adopted and S.B. No. 1016, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM ATHLETE AGENTS ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 669 (S.B. No. 1504, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 669 was adopted and S.B. No. 1504, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC FILING OF TAX RETURNS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 672 (S.B. No. 1991, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 672 was adopted and S.B.

No. 1991, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 674 (S.B. No. 1210, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 674 was adopted and S.B. No. 1210, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 675 (S.B. No. 732, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 675 was adopted and S.B. No. 732, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STATE LIFEGUARDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 678 (S.B. No. 1950, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 678 was adopted and S.B. No. 1950, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE RE-EMPLOYMENT OF RETIREES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 680 (S.B. No. 679, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 680 was adopted and S.B. No. 679, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 681 (S.B. No. 1221, S.D. 2):

On motion by Senator Fukunaga, seconded by Senator Baker and carried, Stand. Com. Rep. No. 681 was adopted and S.B. No. 1221, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 682 (S.B. No. 835, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 682 was adopted and S.B. No. 835, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 683 (S.B. No. 1234, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 683 was adopted and S.B. No. 1234, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIAN HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 684 (S.B. No. 1421, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 684 was adopted and S.B. No. 1421, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 460, HAWAII REVISED STATUTES, OSTEOPATHY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 55, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 55, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTISTRY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 163, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 163, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1697, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1697, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF 'CONTRACTOR' UNDER THE CONTRACTOR REPAIR ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 60, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 60, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN TIME SHARE PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1935, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1935, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHECK CASHING," having been read

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

Ayes, 25. Noes, none.

S.B. No. 1418, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1418, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PREVENTION OF MORTGAGE RESCUE FRAUD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1426, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1426, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LOSS MITIGATION GRANT PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 714 (S.B. No. 1007, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 714 was adopted and S.B. No. 1007, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 715 (S.B. No. 907, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 715 be adopted and S.B. No. 907, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Fukunaga requested her remarks be inserted into the Journal, and the Chair having so ordered, Senator Fukunaga's remarks read as follows:

"Madame President, I rise to speak in favor of S.B. No. 907, S.D. 2, Relating to Aerospace Development.

"The purpose of this bill is to enhance Hawaii's competitive role in aerospace development – both nationally and globally – through a reorganization of the largely inactive Office of Space Industry, under DBEDT. The new Office of Aerospace Development will have expanded powers and duties to:

- Identify and promote opportunities for expanding and diversifying aerospace-related industries, including a Pacific international center for space exploration systems to support space exploration and settlement.
- Assist the University of Hawaii, local companies, research institutions, and other interested organizations in establishing partnerships with corporate, government, and university entities that can promote and enhance the State's aerospace industry.
- Leverage aerospace and related technological capabilities in the academic, public, and private sectors to enhance the State's ability to procure both federal and private funds.
- Promote innovative education and workforce development programs in Hawaii's aerospace industry.

- Monitor national and global trends in the aerospace industry and recommend programs and policies that can support aerospace industry development statewide.

“DBEDT maintained an Office of Space Industry from 1988-1995; however, for the past twelve years, it has operated in an ‘ad hoc’ manner to develop aerospace-related opportunities in Hawaii. Expanding the Office’s role will strengthen the State’s ability to serve as a catalyst in development of new aerospace opportunities for Hawaii, particularly the promise of the Pacific International Space Center for Exploration Systems (PISCES).

“This bill will also enhance workforce development opportunities and support for Hawaii’s emerging industries. Hawaii has many fine educational programs, from the middle school and high school level, multidisciplinary Project EAST, to the cutting-edge work being done at the University of Hawaii. Creating jobs to keep Hawaii students in Hawaii is critical to the successful diversification of the State’s economic opportunities.

“The funding proposed in SB 907, SD2 illustrates the Senate Majority’s economic diversification themes of (a) building on programs with a proven track record – such as the small-scale satellite, robotics and other projects undertaken jointly by UH College of Engineering and SOEST, or the success of Art Kimura’s Space Camp program, (b) leveraging federal funding through NASA AMES program and related ventures, and (c) capitalizing on long-standing Asia-Pacific relationships like the Japan-US Science, Technology and Space Application Program (JUSTSAP). Building upon these relationships at a time when Hawaii could become a leader in robotics for space exploration and training, advanced remote sensing and astronaut training makes good sense.

“For the foregoing reasons, Madame President, I urge my colleagues to vote in favor of S.B. No. 907, S.D. 2.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 715 was adopted and S.B. No. 907, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO AEROSPACE DEVELOPMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 717 (S.B. No. 1499, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 717 was adopted and S.B. No. 1499, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 718 (S.B. No. 1931, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1931, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 720 (S.B. No. 80, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 720 was adopted and S.B.

No. 80, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 722 (S.B. No. 1146, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 722 was adopted and S.B. No. 1146, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO LEGISLATIVE SCHOLARSHIP PROGRAMS AT THE UNIVERSITY OF HAWAII,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 723 (S.B. No. 597, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 723 was adopted and S.B. No. 597, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SOPOGY INC., IN THE DEVELOPMENT OF RENEWABLE ENERGY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 724 (S.B. No. 31, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 724 be adopted and S.B. No. 31, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Nishihara requested his remarks be inserted into the Journal, and the Chair having so ordered, Senator Nishihara’s remarks read as follows:

“Madam President, colleagues, I speak in favor of S.B. No. 31, S.D. 1.

“During W.W. II, the U.S. was locked in a desperate series of battles against a powerful and ruthless adversary, the Imperial Army of Japan. In the Philippines, the Filipino population was subjugated and suppressed by an enemy that trampled upon human rights.

“The U.S. government, upon cessation of the war, provided through agreements certain rights and benefits to those who fought on the side of the United States. Our government delineated four groups of Philippine veterans. The latter of the four, the New Philippine Scouts, served from October 6, 1945 to June 30, 1947.

“After the war, a number of them who were not prior U.S. citizens came to reside in Hawaii and became naturalized citizens. It is this group of veterans, who were entitled to receive a burial grant from the Office of Veterans’ Services, which this bill addresses. This is to rectify the financial constraints imposed by a rule which required the veteran’s survivor or interested party to produce an itemized paid invoice showing specific services rendered on behalf of the deceased veteran. This has caused the situation where deceased veterans were not properly buried until survivors or other interested parties raised the necessary funds for funeral, burial and subsequent transportation back to the Philippines.

"This bill hopes to bring closure by providing burial grant funds for these deceased veterans. It is the right thing to do. I ask for your support for this bill."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 724 was adopted and S.B. No. 31, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VETERAN BURIAL GRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 725 (S.B. No. 1526, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 725 was adopted and S.B. No. 1526, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO JUDICIARY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 726 (S.B. No. 1112, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 726 was adopted and S.B. No. 1112, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 729 (S.B. No. 1308, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 729 was adopted and S.B. No. 1308, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LOANS FOR AGRICULTURAL AND AQUACULTURE PURPOSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1440, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, S.B. No. 1440, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1639, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, S.B. No. 1639, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BURIAL SITES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1816, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, S.B. No. 1816, S.D. 1, entitled: "A BILL

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

Ayes, 25. Noes, none.

S.B. No. 768, S.D. 1:

On motion by Senator Kokubun, seconded by Senator English and carried, S.B. No. 768, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 738 (S.B. No. 1837, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 738 was adopted and S.B. No. 1837, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 740 (S.B. No. 1409):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 740 was adopted and S.B. No. 1409, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 741 (S.B. No. 1848, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 741 was adopted and S.B. No. 1848, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 742 (S.B. No. 1402, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 742 was adopted and S.B. No. 1402, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LOSS MITIGATION GRANT FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 743 (S.B. No. 1934, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 743 was adopted and S.B. No. 1934, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 746 (S.B. No. 1688, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 746 be adopted and S.B. No. 1688, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Fukunaga requested her remarks be inserted into the Journal, and the Chair having so ordered, Senator Fukunaga's remarks read as follows:

"Madame President, I rise to speak in favor of S.B. No. 1688, S.D.1, Relating to Economic Development.

"The purpose of this bill is to provide support for Hawaii's high technology sector by establishing a research and development follow-on funding program for Hawaii-based small businesses that received federal funding through the Hawaii Technology Development Venture (HTDV) or the National Defense Center of Excellence for Research in Ocean Sciences (CEROS).

"Small business dual use technology companies in Hawaii are vital to a 21<sup>st</sup> century diversified economy in Hawaii. They work to advance innovative concepts and new approaches to technology while fully leveraging existing facilities and infrastructure in Hawaii. Small, innovative high technology companies are providing critical new technology for the United States Department of Defense and are creating sustainable job growth in living wage jobs in Hawaii.

"And they are succeeding. Since 1989, 63 Hawaii companies have won 262 Small Business Innovation Research (SBIR) grant program awards, bringing nearly \$60,000,000 in Phase I and Phase II funds to Hawaii. In addition, more than \$58,000,000 in Phase III SBIR commercialization contracts has been awarded to Hawaii companies. For every state dollar invested in the program, Hawaii companies attracted nearly \$15 in federal SBIR grant funds or nearly \$30 for every state dollar invested when phase III funds are included.

"The R&D follow-on funding program in this bill would:

- Provide accelerated economic development in the fields of science and engineering of defense related dual use technology by providing follow-on funding to successful R&D projects for technology development, transition, and commercialization.
- Provide capital to sustain high growth new venture company infrastructure development to assist the enterprise toward commercial success.
- Promote high quality, high income job opportunities for Hawaii's residents and graduates of Hawaii's educational institutions, and reverse the brain drain by allowing talented scientists and engineers to return home to living wage jobs in Hawaii. For example, what that means in real dollars is a \$57,000 median wage for 13,800 high-tech jobs in 2005 (*source: DBEDT, Hawaii's Technology Sector: 2001 - 2005 Report*) — many of which are in businesses with either direct or indirect ties to dual use technology applications.
- Keep the high technology companies in Hawaii by limiting the need to seek out-of-state venture capital, which dilutes local ownership.

"Finally, and most importantly, an investment of state matching funds demonstrates a commitment to maximize the \$1.45 billion dollars' worth of federal dual use infrastructure invested in Hawaii between FY 03 to FY 07 (*source: data compiled by Office of Senator Daniel Inouye, U.S. Senate*). By adding a state funding component, we enhance the capabilities of Hawaii-based small businesses to compete successfully in

high technology R&D related to current and future United States Departments of the Navy and of Defense needs.

"In essence, the state matching funds are the equivalent of 'workforce development' for Hawaii dual use businesses. The follow-on funding, to be administered by the Hawaii Strategic Development Corporation, builds on the successes of two federally funded programs – HTDV and CEROS. Both of these programs solicit proposals through annual competitive solicitations, which are evaluated by an expert panel for technical merit, innovation, and value according to criteria published in the solicitations."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 746 was adopted and S.B. No. 1688, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 870, S.D. 1:

On motion by Senator Fukunaga, seconded by Senator Espero and carried, S.B. No. 870, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DESIGNATION OF A HAWAII ARCHAEOLOGICAL DATA SURVEY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 748 (S.B. No. 1315, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 748 was adopted and S.B. No. 1315, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ACCESS HAWAII COMMITTEE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 749 (S.B. No. 880, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 749 was adopted and S.B. No. 880, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE MUSEUM OF HAWAIIAN MUSIC AND DANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 753 (S.B. No. 1214):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 753 was adopted and S.B. No. 1214, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR LE JARDIN ACADEMY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 754 (S.B. No. 603, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 754 was adopted and S.B. No. 603, S.D. 2, entitled: "A BILL FOR AN ACT RELATING

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

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 755 (S.B. No. 683, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 755 was adopted and S.B. No. 683, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE RUNNING START PROGRAM FOR COLLEGE PREPARATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 756 (S.B. No. 620, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 756 was adopted and S.B. No. 620, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII PREPARATORY ACADEMY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 757 (S.B. No. 227, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 757 was adopted and S.B. No. 227, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HANALANI SCHOOLS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1462:

On motion by Senator Menor, seconded by Senator Hooser and carried, S.B. No. 1462, entitled: "A BILL FOR AN ACT RELATING TO PETROLEUM-CONTAMINATED SOIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 992, S.D. 1:

On motion by Senator Menor, seconded by Senator Hooser and carried, S.B. No. 992, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 761 (S.B. No. 1222, S.D. 3):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 761 was adopted and S.B. No. 1222, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 763 (S.B. No. 153, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 763 was adopted and S.B. No. 153, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NATURAL DISASTER PREPAREDNESS IN HEALTH CARE FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 764 (S.B. No. 1457, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 764 was adopted and S.B. No. 1457, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEVELOPMENTAL DISABILITIES DIVISION OF THE DEPARTMENT OF HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 765 (S.B. No. 952, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 765 was adopted and S.B. No. 952, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO KAHUKU HOSPITAL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 766 (S.B. No. 1282, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 766 was adopted and S.B. No. 1282, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 767 (S.B. No. 1481, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 767 was adopted and S.B. No. 1481, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTERVENTION FOR SUBSTANCE ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 768 (S.B. No. 51, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 768 was adopted and S.B. No. 51, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOME CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 769 (S.B. No. 971, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 769 was adopted and S.B.



No. 971, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 770 (S.B. No. 810, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 770 was adopted and S.B. No. 810, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WAIMANO RIDGE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 772 (S.B. No. 973, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 772 was adopted and S.B. No. 973, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 775 (S.B. No. 1917, S.D. 3):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 775 was adopted and S.B. No. 1917, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 776 (S.B. No. 1916, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 776 was adopted and S.B. No. 1916, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 780 (S.B. No. 248, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 780 was adopted and S.B. No. 248, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE COMMISSION ON FATHERHOOD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 755, S.D. 1:

On motion by Senator Inouye, seconded by Senator Tsutsui and carried, S.B. No. 755, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY ETHICS COMMISSIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 783 (S.B. No. 1046, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 783 was adopted and S.B. No. 1046, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FEES FOR WINDSHIELD PLACARDS FOR PERSONS WITH DISABILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 784 (S.B. No. 795, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 784 was adopted and S.B. No. 795, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BUILDING CODES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 785 (S.B. No. 1518, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 785 was adopted and S.B. No. 1518, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 786 (S.B. No. 677, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 786 was adopted and S.B. No. 677, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WITNESSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 787 (S.B. No. 1484):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 787 was adopted and S.B. No. 1484, entitled: "A BILL FOR AN ACT RELATING TO THE GARNISHMENT OF COMMITTED PERSONS' MONEYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 788 (S.B. No. 1491, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 788 was adopted and S.B. No. 1491, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 789 (S.B. No. 914, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 789 was adopted and S.B. No. 914, S.D. 2, entitled: "A BILL FOR AN ACT RELATING

TO MENTAL HEALTH ISSUES OF COMMITTED PERSONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 791 (S.B. No. 1352, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 791 was adopted and S.B. No. 1352, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 793 (S.B. No. 216, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 793 was adopted and S.B. No. 216, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL GOODS EXCISE TAX CREDIT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 796 (S.B. No. 608, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 796 was adopted and S.B. No. 608, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 987, S.D. 1:

On motion by Senator Menor, seconded by Senator Kokubun and carried, S.B. No. 987, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 802 (S.B. No. 1428):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 802 was adopted and S.B. No. 1428, entitled: "A BILL FOR AN ACT RELATING TO VETERANS' SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 803 (S.B. No. 1675, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 803 was adopted and S.B. No. 1675, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATED EXTERNAL DEFIBRILLATORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1750, S.D. 1:

On motion by Senator Ige, seconded by Senator Fukunaga and carried, S.B. No. 1750, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 905, S.D. 1:

On motion by Senator Ige, seconded by Senator Espero and carried, S.B. No. 905, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 810 (S.B. No. 979, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 810 was adopted and S.B. No. 979, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SUICIDE PREVENTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 811 (S.B. No. 1447, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 811 was adopted and S.B. No. 1447, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 812 (S.B. No. 238, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 812 was adopted and S.B. No. 238, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 813 (S.B. No. 1042, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 813 was adopted and S.B. No. 1042, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 942:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 942, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 817 (S.B. No. 1068, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 817 was adopted and S.B. No. 1068, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 818 (S.B. No. 1390, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 818 was adopted and S.B. No. 1390, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 819 (S.B. No. 1385, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 819 was adopted and S.B. No. 1385, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1339, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1339, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 821 (S.B. No. 1381, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 821 was adopted and S.B. No. 1381, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 822 (S.B. No. 1386, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 822 was adopted and S.B. No. 1386, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 824 (S.B. No. 138, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 824 was adopted and S.B. No. 138, S.D. 1, entitled: "A BILL FOR AN ACT RELATING

TO DIAMOND HEAD STATE MONUMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 825 (S.B. No. 1094):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 825 was adopted and S.B. No. 1094, entitled: "A BILL FOR AN ACT RELATING TO THE LAND CONSERVATION FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 829 (S.B. No. 1030, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 829 was adopted and S.B. No. 1030, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BURIAL SITES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 830 (S.B. No. 1090, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 830 was adopted and S.B. No. 1090, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 831 (S.B. No. 837, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 831 was adopted and S.B. No. 837, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 833 (S.B. No. 662, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 833 was adopted and S.B. No. 662, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS LOAN GUARANTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1236, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, S.B. No. 1236, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 836 (S.B. No. 1853, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 836 was adopted and S.B. No. 1853, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 839 (S.B. No. 1093, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 839 was adopted and S.B. No. 1093, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OCEAN HEALTH CONSENSUS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 840 (S.B. No. 639, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 840 was adopted and S.B. No. 639, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 841 (S.B. No. 718, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 841 was adopted and S.B. No. 718, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PROCUREMENT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1312, S.D. 1:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1312, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY PAYMENTS STATEWIDE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1313, S.D. 1:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1313, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR RISK MANAGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1372, S.D. 1:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1372, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MANAGEMENT OF FINANCING

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

Ayes, 25. Noes, none.

S.B. No. 1370, S.D. 1:

On motion by Senator Baker, seconded by Senator Tsutsui and carried, S.B. No. 1370, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1673, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Ihara and carried, S.B. No. 1673, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1441, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Hee and carried, S.B. No. 1441, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATION OF CHILD PLACING ORGANIZATIONS, CHILD CARING INSTITUTIONS, FOSTER BOARDING HOMES, AND ADOPTIVE HOMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1803, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Hee and carried, S.B. No. 1803, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 858 (S.B. No. 1400, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hee and carried, Stand. Com. Rep. No. 858 was adopted and S.B. No. 1400, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 170, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 170, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 920, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 920, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 921, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 921, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM ASSOCIATION RECORDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1006, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1006, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE BROKERS AND SOLICITORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1410, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1410, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1423, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1423, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEATH CARE INDUSTRY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1654, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1654, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM MANAGEMENT DISPUTE RESOLUTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1704, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1704, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1988, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1988, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HONEY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1573:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1573, entitled: "A BILL FOR AN ACT RELATING TO ARSON," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1520:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1520, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROCEDURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1527:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1527, entitled: "A BILL FOR AN ACT RELATING TO JURORS AND PROSPECTIVE JURORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 676, S.D. 1:

Senator Hee moved that S.B. No. 676, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Nishihara requested his remarks be inserted into the Journal, and the Chair having so ordered, Senator Nishihara's remarks read as follows:

"Madam President, colleagues, I speak in support of S.B. No. 676, S.D. 1.

"We are all aware of the visual blight that infests our communities when individuals commit acts of graffiti along our highways, buildings, and roadways. The public at large has been incensed by those wanton acts caused by those who show no regard for the aina and their communities.

"This bill mandates penalties that carry fines of up to \$2,000 in addition upon a conviction of a first offense of aggravated criminal property damage to a sentence of 80 hours of community service to be spent eradicating graffiti damage, with the costs thereof borne by the offender. Upon a second conviction, it goes up to a 160 hours. If the offender is a minor, then his/her parents or guardian are financially and physically responsible for the eradication of the graffiti.

"If we ever hope to reduce the incidents of graffiti upon our community landscape, it will require the efforts of an entire society. Placing responsibility back upon parents or guardians

for their minor's actions will reestablish the connection required for a civil society.

"Thank you, and I ask that you vote in favor of this bill."

The motion was put by the Chair and carried, S.B. No. 676, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROPERTY DAMAGE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1343, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1343, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1113, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1113, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MISSING PERSONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1635, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1635, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GRAND JURIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 961, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 961, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1334, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1334, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NAME CHANGES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 784, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 784, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 892 (S.B. No. 1408, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 892 was adopted and S.B. No. 1408, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 893 (S.B. No. 990, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 893 was adopted and S.B. No. 990, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PETROLEUM INDUSTRY MONITORING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 898 (S.B. No. 885, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 898 was adopted and S.B. No. 885, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 903 (S.B. No. 664, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 903 was adopted and S.B. No. 664, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR SACRED HEARTS ACADEMY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 904 (S.B. No. 1718):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 904 was adopted and S.B. No. 1718, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR ELECTRICAL GENERATION ON THE ISLAND OF MAUI," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 905 (S.B. No. 871, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 905 be adopted and S.B. No. 871, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Kim requested her remarks be inserted into the Journal, and the Chair having so ordered, Senator Kim's remarks read as follows:

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

"The State in HRS 342G-3 had set a goal to reduce the solid waste stream to our landfills by 50 percent by January 1, 2000,

which it has clearly not met. In 2003 I spoke on a similar measure to mandate wet waste recycling for all State Facilities. In that floor speech I cited that the City and County of Honolulu, despite having a mandatory food waste recycling requirement in 2001, only diverted 47,000 tons out of 134,500 tons of food waste generated. In 2005, the City and County reported that it generated about 134,503 tons of wet waste and only diverted 32,447 tons away from our currently overfilled landfills. This measure as drafted could be the first step in significantly diverting a substantial amount of wet waste that is generated in our State by our public school system. Although this measure is only a pilot project for one or more of the Oahu school complexes, it will provide valuable data on how much food waste our schools generate. It will also give us more specific numbers on the cost to recycle wet waste at our DOE schools. I have previously stated this and will again, that our schools generate a significant amount of food waste Statewide. They should be actively recycling and teaching our students about our finite resources and the tremendous social value of recycling.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 905 was adopted and S.B. No. 871, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO FOOD WASTE RECYCLING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 910 (S.B. No. 1427, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 910 was adopted and S.B. No. 1427, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CIVIL DEFENSE AGENCY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 911 (S.B. No. 769):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 911 was adopted and S.B. No. 769, entitled: “A BILL FOR AN ACT RELATING TO SHORT TERM INVESTMENT OF COUNTY MONEYS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 912 (S.B. No. 1448):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 912 was adopted and S.B. No. 1448, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 914 (S.B. No. 1115, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 914 was adopted and S.B. No. 1115, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PERINATAL CARE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 916 (S.B. No. 69, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 916 was adopted and S.B. No. 69, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HEALTH CARE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 919 (S.B. No. 820, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 919 was adopted and S.B. No. 820, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 921 (S.B. No. 1838, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 921 was adopted and S.B. No. 1838, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO KAKAAKO,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 923 (S.B. No. 1756, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 923 was adopted and S.B. No. 1756, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 925 (S.B. No. 1946, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 925 was adopted and S.B. No. 1946, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO DAM SAFETY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 933 (S.B. No. 1106, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 933 was adopted and S.B. No. 1106, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE COMMISSION ON THE STATUS OF WOMEN,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 935 (S.B. No. 1424):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 935 was adopted and S.B. No. 1424, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR THE DIVISION OF CONSUMER ADVOCACY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 937 (S.B. No. 867, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 937 was adopted and S.B. No. 867, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 938 (S.B. No. 1203):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 938 was adopted and S.B. No. 1203, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 939 (S.B. No. 1170, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 939 was adopted and S.B. No. 1170, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 940 (S.B. No. 1728, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 940 was adopted and S.B. No. 1728, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A TWO-YEAR HEPATITIS C DEMONSTRATION PROJECT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 941 (S.B. No. 1174, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 941 was adopted and S.B. No. 1174, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCARCERATED PARENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 942 (S.B. No. 331, S.D. 3):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 942 was adopted and S.B. No. 331, S.D. 3, entitled: "A BILL FOR AN ACT RELATING

TO ELECTRONIC DATA AND INFORMATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 944 (S.B. No. 1156, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 944 was adopted and S.B. No. 1156, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 945 (S.B. No. 1163, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 945 was adopted and S.B. No. 1163, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FOSTER CHILDREN'S TRANSITION TO ADULTHOOD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 946 (S.B. No. 1678, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 946 was adopted and S.B. No. 1678, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL REIMBURSEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 947 (S.B. No. 917, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 947 was adopted and S.B. No. 917, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 948 (S.B. No. 1489, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 948 was adopted and S.B. No. 1489, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 950 (S.B. No. 1048, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 950 was adopted and S.B. No. 1048, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.



Stand. Com. Rep. No. 951 (S.B. No. 1515, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 951 was adopted and S.B. No. 1515, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 952 (S.B. No. 1052, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 952 was adopted and S.B. No. 1052, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN LANGUAGE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 953 (S.B. No. 188, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 953 was adopted and S.B. No. 188, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS REGULATORY FLEXIBILITY ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 954 (S.B. No. 713, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 954 was adopted and S.B. No. 713, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NURSE AIDES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 955 (S.B. No. 816, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Baker and carried, Stand. Com. Rep. No. 955 was adopted and S.B. No. 816, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUG COST CONTAINMENT AND AFFORDABLE ACCESS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 959 (S.B. No. 1350, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 959 was adopted and S.B. No. 1350, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 960 (S.B. No. 1425, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Ige and carried, Stand. Com. Rep. No. 960 was adopted and S.B. No. 1425, S.D. 2, entitled: "A BILL FOR AN ACT

RELATING TO CONTRACTOR LICENSING REQUIREMENTS DURING A STATE OF EMERGENCY OR DISASTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 961 (S.B. No. 709, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 961 was adopted and S.B. No. 709, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 962 (S.B. No. 897, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 962 was adopted and S.B. No. 897, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY TRAINING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 965 (S.B. No. 691, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 965 was adopted and S.B. No. 691, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION OF SCHOOL CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 967 (S.B. No. 1779):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 967 was adopted and S.B. No. 1779, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 968 (S.B. No. 1802):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 968 was adopted and S.B. No. 1802, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 970 (S.B. No. 1346):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 970 was adopted and S.B. No. 1346, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 972 (S.B. No. 1279, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 972 was adopted and S.B. No. 1279, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMINENT DOMAIN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 973 (S.B. No. 663, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 973 was adopted and S.B. No. 663, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 975 (S.B. No. 1398, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 975 was adopted and S.B. No. 1398, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 976 (S.B. No. 1414, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 976 was adopted and S.B. No. 1414, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING OF REPEAT OFFENDERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 977 (S.B. No. 813, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 977 was adopted and S.B. No. 813, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL LIABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 978 (S.B. No. 17, S.D. 2):

Senator Hee moved that Stand. Com. Rep. No. 978 be adopted and S.B. No. 17, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Nishihara requested his remarks be inserted into the Journal, and the Chair having so ordered, Senator Nishihara's remarks read as follows:

"Madam President, colleagues, I speak in favor of S.B. No. 17, S.D. 2.

"This bill seeks to provide relief to small business owners that are professional architects, landscape architects, engineers, and surveyors from the requirement to defend the State in

contracts under \$5 million when the action is not the result of negligence, errors or omissions on their part. It was pointed out in testimony that the contract wording with the State, which required them to defend the State against claims, including those they had a marginal or net even a direct cause. This forced many to reject those jobs because the burden to indemnify the State proved to be too great, reducing the pool of applicable bidders.

"It was also pointed out that the University of Hawaii, the Department of Education, and the City and County of Honolulu did not require such language in their contracts.

"In recognition of seeking equity and fairness, I ask for your support of this bill."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 978 was adopted and S.B. No. 17, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 979 (S.B. No. 1603, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 979 was adopted and S.B. No. 1603, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 983 (S.B. No. 1342, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 983 was adopted and S.B. No. 1342, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PERFECTION OF APPEALS TO THE TAX APPEAL COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 984 (S.B. No. 1933, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 984 was adopted and S.B. No. 1933, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 985 (S.B. No. 1676, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 985 was adopted and S.B. No. 1676, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 986 (S.B. No. 1456, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 986 was adopted and S.B. No. 1456, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 987 (S.B. No. 1459, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 987 was adopted and S.B. No. 1459, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR EARLY INTERVENTION SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 988 (S.B. No. 1260, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 988 was adopted and S.B. No. 1260, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A GRANT TO KAHUKU HOSPITAL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 989 (S.B. No. 1182, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 989 was adopted and S.B. No. 1182, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NEEDS ALLOWANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 991 (S.B. No. 1431, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 991 was adopted and S.B. No. 1431, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR NATURAL DISASTERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 993 (S.B. No. 932, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 993 was adopted and S.B. No. 932, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A COMPREHENSIVE OFFENDER REENTRY SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 994 (S.B. No. 1191, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 994 was adopted and S.B. No. 1191, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PEDESTRIAN SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 995 (S.B. No. 1677, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 995 was adopted and S.B. No. 1677, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC CONTROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 996 (S.B. No. 890, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 996 was adopted and S.B. No. 890, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTEGRATED STRATEGIES FOR STATEWIDE FOOD AND ENERGY CROP PRODUCTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1001 (S.B. No. 1458, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1001 was adopted and S.B. No. 1458, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM BRANCH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1002 (S.B. No. 1284, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1002 was adopted and S.B. No. 1284, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1005 (S.B. No. 1161, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1005 was adopted and S.B. No. 1161, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1006 (S.B. No. 1636, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1006 was adopted and S.B.

No. 1636, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1007 (S.B. No. 1891, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1007 was adopted and S.B. No. 1891, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1012 (S.B. No. 257, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1012 was adopted and S.B. No. 257, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1013 (S.B. No. 424, S.D. 2):

On motion by Senator Chun Oakland, seconded by Senator Ihara and carried, Stand. Com. Rep. No. 1013 was adopted and S.B. No. 424, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1017 (S.B. No. 696, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1017 was adopted and S.B. No. 696, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1021 (S.B. No. 781, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1021 was adopted and S.B. No. 781, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1022 (S.B. No. 1158, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1022 was adopted and S.B. No. 1158, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1023 (S.B. No. 1529, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1023 was adopted and S.B. No. 1529, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC INFRACTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1026 (S.B. No. 1184, S.D. 2):

On motion by Senator Hee, seconded by Senator Baker and carried, Stand. Com. Rep. No. 1026 was adopted and S.B. No. 1184, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ADULT PROTECTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

### THIRD READING

#### MATTERS DEFERRED FROM FRIDAY, MARCH 2, 2007

S.B. No. 1028:

On motion by Senator Inouye, seconded by Senator English and carried, S.B. No. 1028, entitled: "A BILL FOR AN ACT RELATING TO COUNTY REGULATION OF COMMERCIAL BICYCLE TOURS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 646:

Senator Inouye moved that S.B. No. 646, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition and said:

"Madam President, I rise in opposition to S.B. No. 646.

"Colleagues, no testimony was offered in favor or in opposition to this bill. How can we, as a Body, create law without testimony and without discussion? I think it is a bad precedent and it also leads me to wonder whether it is a broadly based felt need or a law intended to take care of one situation.

"Thank you."

Senator Hooser rose to support the measure as follows:

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

"I'd like to point out for the record that the bill has been introduced in past Legislative Sessions and testimony in support has come in. This bill arises after damages from hurricanes in my community that resulted in hotels staying vacant year, after year, after year, after the owners spent their insurance proceeds and left the properties in a dangerous condition. It addresses an important need in the community. It is not a mandate, but merely authorizes the counties to deal with those issues in an appropriate fashion.

"Thank you."

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

“Madam President, I rise in support with reservations.

“The measure is worthy for keeping the public safe when properties are troubled or unsafe. I believe sometimes the remedy can be keeping the property safe, even though the owner may not be able to in as timely a manner as some would hope, to either demolish the building or take care of the conditions. Hopefully, as the bill goes forward, there will be remedies other than placing a lien on the property when the property is deemed unsafe.”

The motion was put by the Chair and carried, S.B. No. 646, entitled: “A BILL FOR AN ACT RELATING TO PROPERTY LEFT IN A DANGEROUS CONDITION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 1 (Sakamoto). Noes, 2 (Ihara, Trimble).

S.B. No. 1711:

Senator Baker moved that S.B. No. 1711, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition as follows:

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

“As I read the bill, it’s not an equity issue but a pay increase, and it’s a pay increase that’s fixed to a percentage. The committee report said that we’re patterning it after what happens in the executive branch, and quite frankly, the executive branch process is done by commission and not set as fixed percentages, so I oppose this measure.

“Thank you.”

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

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

“As the heads of all of the legislative service agencies indicated, this measure definitely will bring them in line with their executive branch counterparts and it’s important that we be competitive so that we can recruit and retain the finest, and that’s what this measure aims to do.

“I urge my colleagues to support it. Thank you.”

The motion was put by the Chair and carried, S.B. No. 1711, entitled: “A BILL FOR AN ACT RELATING TO LEGISLATIVE SERVICE AGENCIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 260:

On motion by Senator Nishihara, seconded by Senator Kim and carried, S.B. No. 260, entitled: “A BILL FOR AN ACT RELATING TO HOLIDAYS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 966:

Senator Hee moved that S.B. No. 966, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition and said:

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

“Colleagues, it is my set of experience that in order to be elected governor and lieutenant governor, the current age is appropriate. What we expect from somebody that runs and is elected governor is the ability to experience life and develop connections that will aid them in the execution of these duties. I question whether a person at the age of 25 will have developed this set of experience and developed these connections to be able to do a good job.

“Thank you.”

Senator Hee rose to support the measure as follows:

“Madam President, this constitutional amendment . . .”

The President interjected:

“Senator Hee, for what purpose do you rise?”

Senator Hee responded:

“In support.

“Madam President, this constitutional amendment speaks to the age when one can run for the House, one can run for the Senate. Surely, if you can run for this august body, one would think that you could run for governor.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 966, entitled: “A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE V, SECTION 1, OF THE HAWAII CONSTITUTION, TO CHANGE THE AGE QUALIFICATION FOR THE OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR FROM THE AGE OF THIRTY YEARS TO THE AGE OF TWENTY-FIVE YEARS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 663 (S.B. No. 1253):

Senator Baker moved that Stand. Com. Rep. No. 663 be adopted and S.B. No. 1253, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Ihara rose in support with reservations as follows:

“Madam President, please note my support of this bill with reservations.”

The Chair so ordered.

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 663 was adopted and S.B. No. 1253, entitled: “A

BILL FOR AN ACT RELATING TO HAWAII HEALTH SYSTEMS CORPORATION CONTRACTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 2 (Bunda, Ihara). Noes, 1 (Trimble).

Stand. Com. Rep. No. 697 (S.B. No. 49, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 697 be adopted and S.B. No. 49, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

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

“Madam President, I stand in opposition to S.B. No. 49.

“Colleagues, there is nothing more unnatural than injection. Thank you.” (Laughter.)

The motion was put by the Chair and carried, Stand. Com. Rep. No. 697 was adopted and S.B. No. 49, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO NATUROPATHY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 698 (S.B. No. 53):

Senator Taniguchi moved that Stand. Com. Rep. No. 698 be adopted and S.B. No. 53, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose to speak in opposition and said:

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

“I remember when the marriage and family therapists first came and wanted recognition and licensure. There was no talk about money or anything else and now we’re mandating coverage on medical insurance and we’re talking about reimbursements by the State.

“So, for those reasons, I’m voting ‘no.’”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 698 was adopted and S.B. No. 53, entitled: “A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 704 (S.B. No. 1962, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 704 be adopted and S.B. No. 1962, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition as follows:

“Madam President, I rise in opposition to S.B. No. 1962.

“Colleagues, this is an important measure, and perhaps with some changes, it’s something we could all support. It has to do with sprinkler systems in condominiums. If you buy a condominium that has a sprinkler system in it, the value of the sprinkler system is included in the price you pay for it. If we

are going to offer tax credits to help the owners out to install a sprinkler system, then we will be providing them a benefit at the expense of other taxpayers who pay taxes. I can support the bill if this tax credit is reclaimed upon the sale of the property.

“If you would consider, you know, amending it as the bill goes forward, I would be happy to support it when it comes back to this Chamber. Thank you.”

Senator Fukunaga rose to support the measure and said:

“Madam President, I rise to speak in support of this measure.

“The current version of this bill is designed to address fire safety and to make it easier for those buildings that were constructed before 1975 to adopt sprinkler system changes for greater public safety. In the prior Committees, the deduction was narrowed so it would apply to those buildings that are most in need of this upgrade.

“Thank you very much.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 704 was adopted and S.B. No. 1962, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 708 (S.B. No. 1092):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 708 was adopted and S.B. No. 1092, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 709 (S.B. No. 50, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 709 be adopted and S.B. No. 50, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition and stated:

“Madam President, I rise in opposition to S.B. No. 50.

“Colleagues, let’s seek common ground. Let us grant each other that everything that the UH medical school does is extremely important. I have no opposition with that. I note that this is to support medical research. Again, that is very important. I have no problem with that.

“My problem arises when federal funds dry up. Are we, as a state, going to come in and fund the continuation of every project that the medical school gets when the federal funds come to an end? I have a problem with that because the justification for the medical school and its related research facilities is its ability to get federal research money, and this money is supposed to benefit not only the medical school, but the surrounding community.

“If we vote ‘yes’ on this bill, then we will be setting the precedent that every time federal funds dry up for a UH medical school research project, it is a moral obligation of the State of Hawaii to step in and continue the funding.

“Thank you.”

Senator Ige rose in support and said:

“Madam President, I rise to speak in support of this measure.

“I would like to note for the record that, in this case the program was given one month’s notice that the federal government was cutting funds from this program. Subsequent to that, the University has found fit to extend funding to this program for another three and then six months so that we can take a look.

“I would also like to note that the University of Hawaii is doing an exhaustive look at all of the research dollars that they receive from the federal government that would be subject to reduction and making an assessment about those programs that are most fit to be continued and those that would be stopped.

“So, this is sort of an emergency measure that allows us to proceed with this program as we examine what the impact of federal dollars would be. Thank you.”

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

“Madam President, I rise in support of this measure, partially because this measure is so important to the unique community that is Hawaii. It’s not just another federal research program. It provides cutting edge medical technology and research, especially for Asian Pacific Islanders who are living with HIV and AIDS.

“This particular research project has provided over 35 percent of all of the Asian Pacific Islander research patients in the United States, and the benefit of this research, with its focus on Asian Pacific Islanders, helps not only our residents here but many others throughout the Pacific Basin.

“This is very important research and one that because of the shortsightedness of the federal government, we shouldn’t allow to fall by the wayside. Thank you.”

Senator Trimble rose and said:

“Madam President, I rise to offer a comment.

“My office received one call in support of this measure. I talked to the person involved, and that person said that if this program ceases, they will have to go back to California.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 709 was adopted and S.B. No. 50, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO AIDS RESEARCH,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 710 (S.B. No. 1919, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 710 be adopted and S.B. No. 1919, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

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

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

“Initially, I supported the intent of the bill, which is to help low and moderate income individuals through various means under the umbrella of asset building, which is one of the, I guess, key buzz words or buzz terms this session – asset building, it means different things to different people. What it doesn’t mean, though, is that middle income taxpayers have choices in their own asset building. We again rely on government to manipulate income, manipulate tax rates, and so forth.

“The cornerstone of this particular bill and this particular draft is expanded EIC for so-called low income people. However, the percentage is not specified in the bill because there’s a lot of discussion about it and there is a defective date. So, while there is an intent to do well, the intent is not clear and not specified. I would like to see, if we really want to help in asset building and we really want to help all of our people, including the upper moderate and lower middle income and however you describe people, allow them to have more choices, more tax reduction, more spending reductions by this Legislative Body, so that there’s not more demands on their income.

“And so I think, unfortunately what this bill does is to redistribute income for a certain group of people demographically identified by the Legislature, but doesn’t do anything for the overall reduction and asset building of the vast majority of people in this State.

“Thank you.”

Senator Hooser rose in support of the measure as follows:

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

“Madam President, colleagues, this is a good bill. Asset building is long overdue, and as the previous speaker spoke, the earned income tax credit is indeed an important cornerstone of this effort.

“I’d like to state for the record that 30 percent of the people who live in our State – 30 percent of the people – cannot survive and pay their basic bills without some kind of support either from families or government. One in five households in Hawaii have zero or negative net worth – the sixth worst ranking among states. One in four households would not have enough assets to subsist at the poverty level for three months if their income were disrupted, and 69 percent of the jobs in Hawaii – 69 percent of the jobs – don’t pay a living wage, making it difficult for many families to make ends meet, let alone pay off debt, build savings, start businesses, or pursue the ‘American Dream’ of buying a home.

“As a society, we continue to look for ways to provide that 30 percent with a hand up, not just a handout. The earned income tax credit is a powerful tool to help our working people move out of poverty. The Hawaii EITC simply piggybacks on the federal EITC by providing low income working families a refund equal to a blank amount at this point. The number discussed has been from 5 to 20 percent of their federal EITC return even if they don’t owe state income tax.

“The EITC is a way to ‘make work pay’ by providing low and moderate income working families a credit on their earned income. It rewards work. It provides meaningful tax relief for those who need it most. The earned income tax credit has won long standing bipartisan support and was first established by Republican President Gerald Ford in 1975. President Reagan expanded the program, calling the EITC ‘the best anti-poverty, the best pro-family, and the best job creation measure to come out of Congress.’ Presidents George Bush, Sr., and Bill Clinton

also expanded the federal EITC. The state version will be a supplement to this proven federal program and follows 21 other states that have already implemented similar measures.

"I have many other comments I'd like to submit for the record, but I'll conclude now by encouraging my colleagues to vote in support. Thank you."

The Chair having so ordered, Senator Hooser's additional comments are identified as ATTACHMENTS A, B, and C to the Journal of this day.

Senator Slom rose in rebuttal and said:

"Madam President, just a few brief rebuttal remarks for the good Senator from the Garden Island.

"It always makes me smile when our good friends across the aisle quote a Republican President, particularly Ronald Reagan. I would suggest that President Reagan would be rolling in his grave if he were to look at the EIC program today and how it operates. In fact, that was one of the criticisms of the program – that as much as 32 percent of the people enrolled in the federal program are in noncompliance. It's a problem that has been recognized by the Internal Revenue Service.

"As far as the other statistics that were offered, I can't argue with most of them except to say, what is the cause of people having a more difficult time in this State? Does it have anything to do with the fact that we're the second highest taxed state in the nation and that we continue to increase taxes, regulations, and fees on our population? Well, maybe it will all work out. Maybe pretty soon all of us will be in the lower moderate income or lower, lower income bracket, and then we can all take care of this. But then that begs the question – who will be working and who will be able to afford to pay all of the taxes, all of the government subsidies, all of the government regulatory programs?

"Thank you, Madam President."

Senator Hooser rose in rebuttal as follows:

"Madam President, a brief rebuttal if I may.

"The good Senator was accurate when he said that the IRS found that a percent or 34 percent error by claimants with EITC, but I have to point out that was a 1982 statistic. Since then, many, many measures have been taken to improve that statistic. Both in 1997 and in 2001, the Economic Growth and Tax Relief Reconciliation Act of Congress implemented significant changes, which alleviated many of these concerns. In tax year 2004, the IRS implemented new tests to improve accuracy and oversight and the GAO Office stated their tests proceeded smoothly and largely as planned. For the first time ever in 2004, the program was taken off, or de-listed, as a problem by the National Taxpayers Advocate Organization, and confirmed by the IRS's 2005 report to Congress.

"So, there were some problems back in 1982, but this is the year 2007. Those problems have been addressed, and we need to move forward with this issue. Thank you."

Senator Slom rose and said:

"Madam President . . ."

President Hanabusa interjected:

"Senator Slom, you have already spoken twice on the measure so you're in violation of Senate Rule 69."

Senator Slom continued:

"Oh, I was just going to clarify something that the good Senator said that is included in the committee report."

The President stated:

"Senator Slom, Senate Rule 69, you're out of order."

Senator Slom commented:

"Okay, well, I would urge everybody to read page 2 of the report. It's the year 2003. Thank you, Madam President."

Senator Trimble rose in opposition to the measure as follows:

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

"We are one of the few states in the United States where we actually have people that don't owe federal income tax that pay State of Hawaii income taxes. So, if we're worried about the burden of those lower income people in Hawaii, the first place to start, if we're looking at the federal model, is to increase the standard deduction and the personal exemptions.

"It is strange that we keep expanding tax credits for those that owe lots of money and then we feel that we have to do the same for those at the lower end of the economic spectrum. At the end of the day, when you figure out all the tax credits we've given, where's this money coming from? It's coming in the form of higher taxes. The place to start is not to collect the tax money to begin with by increasing standard deductions and personal exemptions, then we would not be bribing people with their own money."

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 710 was adopted and S.B. No. 1919, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ASSET BUILDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 1 (Bunda). Noes, 2 (Slom, Trimble).

Stand. Com. Rep. No. 711 (S.B. No. 704):

Senator Baker moved that Stand. Com. Rep. No. 711 be adopted and S.B. No. 704, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition to the measure as follows:

"Madam President, I stand in opposition to S.B. No. 704.

"Perhaps I'm the only member present that can stand and talk freely on this issue. Colleagues, what this issue does is it extends preferential tax treatment to those people that are blind or disabled to that which is a trust for the blind or disabled. My problem is that we should not assume that because of some person's physical characteristics, that they have less capacity than the rest of us, and if there is a test, it should be a needs test and there should be a cap. Whether that cap be \$100,000 or \$10 million, there should be a cap.

"Thank you."



The motion was put by the Chair and carried, Stand. Com. Rep. No. 711 was adopted and S.B. No. 704, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 713 (S.B. No. 1281):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 713 was adopted and S.B. No. 1281, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

**THIRD READING**

S.B. No. 1818, S.D. 1:

Senator Inouye moved that S.B. No. 1818, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition and said:

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

"Colleagues, the justification was that because of the amount of money that needed to be spent for capital improvements, that a longer time for the concession needed to be approved. That argument could be made for for-profit entities as well as not-for-profit entities.

"Secondly, the one that this bill was introduced and testified in favor of it was only one of the four counties. If it was a broadly felt need, we should have had testimony in favor of it from all four counties. So, this leads me to believe that it may be for the benefit of one party on one island which happens to be a nonprofit.

"I don't think this is the way we should change law. Thank you."

Senator Baker rose in support of the measure as follows:

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

"While it's true that the County of Maui requested this measure, it is also true that there are impacts in other areas, particularly when you're dealing with historic buildings. The particular building in question is Iao Theater which is owned by the county and for which the county would like to be able to provide a long-term lease to a nonprofit who could then seek funding to repair and maintain it and return it to its former glory. But because of our concession law, the County of Maui is not able to enter into a long-term lease.

"I suspect that there are other situations in the other counties that, were this exemption to be granted, would be able to take care of some of their historic buildings through a lease to an appropriate nonprofit to make sure that we preserve parts of our heritage without the burden falling on the taxpayers.

"I believe this is a good measure and ask my colleagues to move it forward. Thank you."

Senator Trimble rose and said:

"Madam President, I rise to change my vote from a 'no' to a 'WR.' Thank you."

The motion was put by the Chair and carried, S.B. No. 1818, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY CONCESSIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 1 (Trimble). Noes, none.

S.B. No. 856, S.D. 1:

On motion by Senator Fukunaga, seconded by Senator Espero and carried, S.B. No. 856, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

S.B. No. 46, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 46, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT OPERATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1063, S.D. 1:

Senator Hee moved that S.B. No. 1063, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Hemmings rose to speak against the measure and stated:

"Madam President, I rise to speak against this legislation.

"It's within the purview of the power of this Legislature to address the appointment process for state offices. I believe it's unconstitutional to do so for the United States Senate, therefore this bill will be deemed unconstitutional if tested by law.

"Thank you, Madam President."

The motion was put by the Chair and carried, S.B. No. 1063, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE VACANCIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Gabbard, Hemmings, Slom, Trimble, Whalen). Excused, 2 (Kim, Taniguchi).

Stand. Com. Rep. No. 664 (S.B. No. 1712, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 664 was adopted and S.B. No. 1712, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MIXED MARTIAL ARTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Slom, Trimble, Whalen). Excused, 2 (Kim, Taniguchi).

Stand. Com. Rep. No. 665 (S.B. No. 1152, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 665 was adopted and S.B. No. 1152, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Kim, Taniguchi).

Stand. Com. Rep. No. 666 (S.B. No. 1145, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 666 was adopted and S.B. No. 1145, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Kim, Taniguchi).

Stand. Com. Rep. No. 667 (S.B. No. 79, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 667 was adopted and S.B. No. 79, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Kim).

Stand. Com. Rep. No. 668 (S.B. No. 1922, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 668 be adopted and S.B. No. 1922, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure as follows:

"Madam President, I stand in opposition to a portion of S.B. No. 1922."

President Hanabusa interjected:

"No, with reservations, please proceed." (Laughter.)

Senator Trimble continued:

"The dollar amount that is appropriated I can find because I see how much it's going to cost. I'm only troubled by the section that will extend the tax credit to the Creative Media Center."

Senator Fukunaga rose in support and said:

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

"I have comments in support of S.B. No. 1922 that I'd like to have inserted into the Journal. Thank you."

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

"Madame President, I rise to speak in favor of S.B. No. 1922, S.D. 2, Relating to Creative Media.

"The purpose of this bill is to provide financial incentives and appropriate funds to grow Hawaii's creative media industry. It would:

- Demonstrate the legislature's commitment to the University of Hawaii's Academy for Creative Media (ACM) by authorizing the use of applicable tax credits, and appropriating funds to plan, design, construct, and equip a permanent facility for ACM.
- Authorize DBEDT, in coordination with the University of Hawaii, to oversee the leasing, operating, and maintenance of a digital media incubator facility, for lease to a mix of anchor tenants, virtual tenants, and project-based tenants.
- Establish a music and enterprise learning experience (MELE) program at Honolulu Community College to develop the artistic creativity, entertainment business expertise, and technical production skills required by Hawaii's music artists and music industry. The program will collaborate with Belmont University of Nashville, Tennessee, on the joint use of Belmont's curriculum, technical facilities and equipment specifications, training, dual credit course offerings, and will also offer internships in some of the most varied music environments in the world.

"The Academy for Creative Media is the fastest growing new program at the University of Hawaii. Spring 2007 enrollment includes 176 students (with 60 majors) who fill 275 seats in 20 of the 32 new courses in film production, screenwriting, indigenous filmmaking, computer animation, critical studies, and video game design. In three short years, more than 350 original short films and video games have been written, directed, and produced by students that reflect their unique diversity and backgrounds. Over 48 student films were screened at film festivals from Atlanta to Shanghai, including well-attended screenings at the Hawaii International Film Festival between 2004-2006.

"ACM's founder, Hawaii-born Chris Lee has been responsible for raising and funding all of ACM's operating expenses outside of faculty salaries and basic office overhead – hardware, software, computers, cameras, sound equipment, editing equipment, etc. Over \$1,481,000 in private, foundation, federal and other innovation grants have been raised to support ACM programs since 2004.

"Why should Hawaii commit to building a creative media industry? Not only do creative media jobs offer higher-paying wages and more exciting career opportunities than our state's traditional service industry jobs. Today, it's because a rare combination of circumstances has arisen, allowing Hawaii to be competitive with wealthier, more well-established regions: modern technology (e.g., availability and access to high-speed broadband), Hawaii residents' innate story-telling skills, our island state's wholesome lifestyle, and the fact that the Asia-Pacific region is not only an emerging world-class producer of digital media entertainment products, but also potentially one of its largest consumers.

"If Hawaii fails to capitalize on its creative media assets today, other states, and other regions – like New Zealand, Singapore, Korea, China and Canada – will soon overtake us in establishing themselves as the new center for global creative media collaboration.

"As has been so eloquently stated by Chris Lee:

*'Now that the Academy for Creative Media is established, and programs like Searider Productions have demonstrated the transformational power of multi-media literacy to engage*

*our most at risk students, the DOE and UH really need to embrace and support educational opportunities in this area.*

*‘Hawaii needs to become the crossroads of the Pacific for Digital Education and the New Entertainment Industry. Let Hollywood be Hollywood, but let Hawaii’s natural constituency with the countries of the pacific rim and the rising tide of global popular culture in all its forms of video games, animation, and indigenous film be our advantage.’ (December 2006)’*

The motion was put by the Chair and carried, Stand. Com. Rep. No. 668 was adopted and S.B. No. 1922, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CREATIVE MEDIA,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Kim).

Stand. Com. Rep. No. 670 (S.B. No. 1066, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 670 be adopted and S.B. No. 1066, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure and stated:

“Madam President, I will vote ‘no’ on the bill not because I don’t want the invasive species to be taken care of but I think this is an overlapping of charges and funds and fees right now, and this adds additional fees.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 670 was adopted and S.B. No. 1066, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INVASIVE SPECIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 671 (S.B. No. 651, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 671 was adopted and S.B. No. 651, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO RECYCLING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 673 (S.B. No. 967, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 673 be adopted and S.B. No. 967, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition as follows:

“Madam President, I stand in opposition to S.B. No. 967.

“All the things we do here are good, by definition. I’m concerned more by the process in which we decide what things should receive tax credits and what things receive tax deductions. In this particular case, nobody is against organ donation. But I think that perhaps there are times when we take a comprehensive holistic look at the amount of deductions we wish to give to an already complex tax form and ask somebody like the LRB or the Legislative Auditor to give us a list of

things that we can review on a comprehensive basis instead of doing it one at a time.

“So, I ask you to consider that before you vote. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 673 was adopted and S.B. No. 967, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HEALTH,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 676 (S.B. No. 1833, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 676 was adopted and S.B. No. 1833, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FAMILY LEAVE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 677 (S.B. No. 625, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 677 be adopted and S.B. No. 625, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure and said:

“Madam President, I stand in opposition to S.B. No. 625 in its current form.

“When we propose a change, it’s important to us to note or to at least understand how much this proposed change is going to cost. No figures were provided.

“The second thing is that we, as a society, need to start looking at how we can promote commonality and a common language. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 677 was adopted and S.B. No. 625, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO COURT INTERPRETERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 679 (S.B. No. 1034, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 679 be adopted and S.B. No. 1034, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition as follows:

“Madam President, I stand in opposition to S.B. No. 1034.

“Colleagues, this is the second time in two years that I get to address this issue, so let me try it from a slightly different position. Instead of trying to change chapter 212, which deals with foreign trade zones, on something that deals with excise taxes, we should make that change to what section it more appropriately applies, and that is chapter 237.

“Interisland local airlines buy their fuel or have their fuel delivered from Hawaii Fueling Facilities Corporation. Hawaii Fueling Facilities Corporation became part of the foreign trade

zone system in the 1990's. If they suddenly lost their foreign trade zone status, what change would we observe? We would observe that foreign aircraft on qualifying foreign flights bought or used foreign or bonded fuel to which general excise taxes were not subject and customs duties were not paid. If we looked at airlines, other airlines flying between Hawaii and the U.S. mainland, we would find that they were using duty paid fuel for which they could apply for a drawback after it was consumed and they were not paying general excise tax to the State of Hawaii because the fuel was consumed outside the State of Hawaii. We would notice, though, that local airlines flying between the islands not only were using duty paid fuel, but they were paying State of Hawaii excise taxes.

"The issue is not foreign trade zones; the issue is where they are flying. Is it within the State or is it outside of the State? It is not a foreign trade zone issue. If we, as a Body, were to encourage and say yes, it is because they purchase it from a foreign trade zone, what this Body would be doing is encouraging the use of foreign trade zone status to avoid the payment of general excise taxes.

"Quite frankly, this is a policy that every governor up to now has opposed. It has opposed the use of foreign trade zone status to avoid the payment of general excise taxes, and I assure you, based upon 27 years of experience in state government, there are many firms out there that have tried in the past to use foreign trade zone status as a loophole, and if we pass this bill in its present form, we may find over time that our tax base is being diluted.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 679 was adopted and S.B. No. 1034, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

S.B. No. 1003, S.D. 1:

Senator Taniguchi moved that S.B. No. 1003, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose to oppose the measure as follows:

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

"This is another one of those bills that tends to erode the powers of the executive, which in and of itself is not necessarily a bad thing if you're going to replace that with something positive or beneficial.

"First of all, there were no complaints that the general contractors licensing board was failing in its duty of protecting individuals or that there was a lack of remedies. It just seems that again this an opportunity for the Legislature to exert its power by taking the power of appointment away from the Governor and letting the Speaker of the House and President of the Senate make the appointments to the board in the name of diversity. I don't know how diversity is going to be served or guaranteed by this.

"As I say, normally I'll look at a bill and see if there is a problem and if there are people that are complaining about it, and if there is an existing agency and it doesn't do the job, then I'm not concerned that it's the Governor or anyone else that's

making those appointments if they're not done correctly. In this case, there have been no allegations to substantiate that.

"Thank you."

Senator Ihara rose in support with reservations and said:

"Madam President, excuse me, I stand in support of this bill with reservations.

"I have concerns about possible legislative intrusion in an executive regulatory function that raises a separation of powers issue.

"Thank you."

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

The motion was put by the Chair and carried, S.B. No. 1003, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 3 (Gabbard, Ihara, Sakamoto). Noes, 3 (Hemmings, Slom, Trimble).

S.B. No. 1010, S.D. 1:

Senator Taniguchi moved that S.B. No. 1010, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition as follows:

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

"The testimony was very interesting and compelling on both sides of this issue. It's always fun to see professionals battling against one another and this is another example of that. Certain CPAs were for the bill, certain CPAs were opposed to the bill.

"A couple of things came out about this – the provision to not require a baccalaureate college degree in the field of accounting I think is a good move and one that everyone seemed to support. I think the sticking point was the experience – whether or not a CPA was required to have experience in public accounting and would not have experience that would count in either academic areas or in government areas or anyone else. And as I said, we had a lot of testimony back and forth, but for the lay observer it would look like this a turf war between two warring groups and I wish that we can get this settled and resolved in favor of the public.

"In the meantime, because of this schism, I will vote 'no.'"

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

The motion was put by the Chair and carried, S.B. No. 1010, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CERTIFIED PUBLIC ACCOUNTANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 1 (Menor). Noes, 4 (Hemmings, Slom, Trimble, Whalen).

S.B. No. 1116, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Ige and carried, S.B. No. 1116, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL APPLICATION FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

At 12:35 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:25 o'clock p.m.

S.B. No. 1419, S.D. 1:

Senator Taniguchi moved that S.B. No. 1419, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure as follows:

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

"We already have on the books, laws preventing taking advantage of consumers during unusual times – times of crisis, times of disaster and all of that. This is aimed specifically at gasoline dealers. The terms that are used in the bill are 'abnormal disruption' and 'unconscionably excessive profits,' and it's very difficult and very subjective to determine each one of those, what they are so that we clearly know what they are.

"We also do know, however, that during emergencies and during disruptions when lines of distribution are disrupted, it makes for a very difficult situation for all commodities whether we're talking about water, or we're talking about milk, or we're talking about gasoline, and I think it's unfair and unjust to single out gasoline dealers on this bill.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 1419, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GASOLINE PRICE GOUGING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Hemmings, Slom). Excused, 3 (Bunda, Hee, Whalen).

Stand. Com. Rep. No. 716 (S.B. No. 1920, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 716 be adopted and S.B. No. 1920, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure and said:

"Madam President, I stand in opposition to S.B. No. 1920.

"Colleagues, here again we have another tax credit and each year we seem to come back and increase the level or size of this tax credit. This year I think we're going to 25 percent. When will the tax credit be enough? So I urge you to seriously consider tax credits or the increase whether they are that good for our society and who winds up paying for them.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 716 was adopted and S.B. No. 1920, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Trimble). Excused, 3 (Bunda, Hee, Whalen).

Stand. Com. Rep. No. 719 (S.B. No. 76, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 719 was adopted and S.B. No. 76, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL FACILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Bunda, Hee, Whalen).

Stand. Com. Rep. No. 721 (S.B. No. 688, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 721 was adopted and S.B. No. 688, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Bunda, Hee, Whalen).

Stand. Com. Rep. No. 727 (S.B. No. 1929, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 727 be adopted and S.B. No. 1929, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Sakamoto rose in support with reservations as follows:

"Madam President, please note my support with reservations."

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 727 was adopted and S.B. No. 1929, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 1 (Sakamoto). Noes, none. Excused, 3 (Bunda, Hee, Whalen).

Stand. Com. Rep. No. 728 (S.B. No. 750, S.D. 3):

Senator Baker moved that Stand. Com. Rep. No. 728 be adopted and S.B. No. 750, S.D. 3, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition and stated:

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

"I think that unlicensed and unresponsive vacation rentals are a problem in our state and in many communities, but I think that what this bill does is use a broad brush against all alternative vacation properties, and I think it's a disservice to those vacation properties that have been operating within the law, have paid their taxes, have met zoning requirements, and everything else.

“So, I think we need more discussion on this, but for the time being, I’ll be voting ‘no.’ Thank you.”

Senator Gabbard rose with reservations and said:

“Madam President, I rise to speak in support of S.B. No. 750, with reservations.

“Colleagues, we do need to get a handle on the problem of the proliferation of illegal vacation rentals which are oftentimes either second or third homes for mainland investors who charge upwards of \$2,000 a night, but at the same time I do think there’s a place for ‘mom and pop’ B&Bs which help struggling families get by. And personally, I think it would be nice to have a community-based tourism where local families are able to bring tourists into their homes. I don’t think it’s these community-based B&Bs that are bothering people. I think it’s the luxury illegal vacation rentals that are driving property values through the roof.

“So, I’m hopeful that we can look at amendments before and if this legislation becomes law. Thank you, Madam President.”

Senator Trimble rose to speak with reservations and said:

“Madam President, I rise to take the middle ground which is ‘with reservations.’

“Colleagues, part of the reason for the opposition to this measure is that the city passed an ordinance but they chose not to enforce their ordinance consistently over time. And so, we had good people in this community that thought the ordinance was never going to be enforced, so with that sense, they went out and bought property which they turned to vacation rentals and now they find that the city was serious about an ordinance they chose not to enforce five, six, ten years ago, and now we have some good people who are facing bad consequences.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 728 was adopted and S.B. No. 750, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 2 (Gabbard, Trimble). Noes, 2 (Chun Oakland, Slom). Excused, 2 (Bunda, Whalen).

S.B. No. 851, S.D. 1:

Senator Kokubun moved that S.B. No. 851, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tokuda.

Senator Slom rose to oppose the measure and stated:

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

“I realize that this bill is a work in progress and the Committee has made several amendments to the bill, because initially the bill was a blatant, anti-Turtle Bay bill, specifically. The bill now has expanded its focus and I think it certainly is something that we should look at, but I am troubled by the 750-foot setback. As testimony showed, there are other areas of the world where in fact they have setbacks of 100 feet, 150 feet, 200 feet, but 750 feet is, I think, excessive and really does cut into development and property rights.

“So I think we need to have a lot more discussion, but as the bill stands now, I’ll be voting ‘no.’ Thank you.”

Senator Kokubun rose in support of the measure as follows:

“Madam President, I stand in conditional support of this measure. (Laughter.) I do stand in support although it is conditioned on a number of factors.

“Colleagues, I think, just for a little historical perspective, the Legislature has been dealing with shoreline certification for a number of years now, and I think that’s an issue that has raised concerns of residents here in this State as well as Legislators, and it’s something that I think we’ve been able to address to a limited degree. As you recall, part of the problem with that was that the definition for shoreline certification at this point is a vegetation line. In fact, there were landowners who were planting vegetation along the shoreline, irrigating them, and thus creating a little bit more space for themselves. But I think we saw through that ruse and provided that there would not be that acknowledgement on the shoreline.

“Now we come to another issue which is the shoreline setback, which is what this bill attempts to address, and I agree with the previous speaker that 750 feet, there’s really no magic in that number. I think the issue, though, is that shoreline setback is a critical issue primarily for the open space issue but also to address what may be important historic and cultural sites within that setback area. This bill has been complicated by those matters.

“There are burial sites as was alluded to in Koolauloa that need to be looked at, although I will tell you that I think as it stands now in our law, with respect to burial sites, we do have some provisions. It just seems that the application of our burial site laws seems to be inconsistent. This was a good example for this particular project because initially, I believe it was in 2005, there was a letter issued by the Historic Preservation Division of DLNR that essentially gave the approval for the development of these lands subject to inadvertent discovery, etc. However, then in 2006, another letter was issued again by the Historic Preservation Division of DLNR that said, ‘Oh no, we think that we have evidence of burial sites, therefore, there should be a complete redoing of the project plans based on this projected discovery of sites.’ The inconsistency of that, I think, has led to a number of concerns, the least of which comes from the community.

“I think as the drafter of this bill, I will admit to all of you that I think this measure could have been done in a much better way. Again, as my good friend from Hawaii Kai has indicated, this was a very project-specific bit of legislation, and I think in that regard it is inappropriate so we tried to broaden the application of it, but given the title of the bill, we were really limited.

“In my opinion, colleagues, the shoreline setback issue really does need to be addressed on a statewide basis, so with that, we did propose some amendments. We took out any sort of reference to the Turtle Bay Resort development itself. We opened it up to the entire Koolauloa region, and we also deflected the date so that we could have the bill move forward for more discussion. I think ultimately, if we approve this measure, this will allow further discussion on this very important issue, and notwithstanding the flaws that are present, I would ask and urge all my colleagues to support this measure so we can have more discussion.

“Thank you, Madam President.”

Senator Hee rose to speak in support and said:

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

“I want to thank the Chairman of the Committee because the previous two speakers are absolutely correct. This bill is a work in progress. I’m not sure who wanted the bill introduced, but clearly there were a lot of reasons that the bill was asked to be put in, not the least of which is the future of the North Shore, and, whether we like it or not, the planned development at Kawela Bay.

“As the Chairman held a hearing on this bill, it became clear that there appears to be a relationship on the shoreline setback with a letter written by the Historic Preservation Office Director to the consultant to Oaktree Development wherein she stated that all five hotels at Kawela Bay are situated where bones have been discovered and that 3,000 units for the complete development would be situated in areas not unlike the Kapalua Hotel, the Ritz Carlton Hotel, where bones were discovered. The concern here is a relevant concern, because like the Kapalua Ritz Carlton, the Oaktree Development has entitlements. Kapalua Ritz Carlton had its building permits in place when the discovery of bones occurred. And as a result of the discovery, the Hotel, the Kapalua Ritz Carlton, moved back off of the shoreline so as not to disturb the bones.

“I find it interesting that today we’re discussing this matter where if you read this mornings paper, the person who took things from Kanupa Cave passed away on the eve of him going to jail. And I only raise that issue because during the hearing there was some discussion about the importance of the presence of the ancestors and the iwi of the ancestors. So, is it a coincidence or is it something more that when we find ourselves, as human beings, to have problems and confrontations that affect us or our family, that we look to a higher calling to respond to our time of need? Is it that responsibility of this Legislature, as it was 20 years ago when I was here and responded to the Ritz Carlton situation, that a new chapter is beginning and that is the future of the State of Hawaii?

“So, in that regard, I commend the Chairman because he took this to its edge, he tried to broaden this issue to look at a more sustainable future, if you will, in dealing with access to the shoreline. Because, all of us here, if we look to the next two generations, we wonder aloud what kind of Hawaii will we be leaving for the children of our children. That is why this is a good bill. It is not perfect, it was not meant to be perfect, it could not have been perfect.

“On the other hand, many of the people in Koolauloa have responded in saying, ‘Does the setback mean we cannot have affordable housing within the 750-foot setback?’ If there is one message, as their Senator, I want to make it absolutely clear that the bill does not mandate, the bill does not compel, the bill does not restrict. In fact, the bill, to show that it’s a work in progress, says ‘strongly encourages that developers will consider a shoreline setback of 750 feet’ to show the imperfection of a body of work that is in progress.

“I want to commend the members of the Water Land Committee and its Chairman for trying to take an issue and send it forward. Will it pass at the end of the day? Personally, I have my reservations. Does that make this issue any less valid as we look to the future? My answer is it does not. So I hope that my colleagues will be patient with this bill and allow it to go forward, and I hope that the residents of Koolauloa will understand that this bill does not restrict, compel, or otherwise mandate that nothing shall be built within the 750-foot shoreline.

“Thank you very much.”

Senator Taniguchi rose and said:

“Madam President, would you note my support with reservations?”

The Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 851, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SHORELINE SETBACKS AND HISTORIC AND CULTURAL SITES IN THE DISTRICT OF KOOLAULOA,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 1 (Taniguchi). Noes, 2 (Kim, Slom). Excused, 1 (Bunda).

S.B. No. 938, S.D. 1:

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, S.B. No. 938, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

S.B. No. 1219, S.D. 1:

Senator Kokubun moved that S.B. No. 1219, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Inouye.

Senator Kokubun rose to support the measure and stated:

“Madam President, I stand in support of the measure.

“Madam President, I know that this bill also is somewhat troubling to some of my colleagues, and I acknowledge that. This really is attempting to correct a direction of a ship that was off course, frankly, and that had to do with development of residential use on agricultural land. I think we’ve all been wrestling with this issue over a number of years now, but I think for me, what’s important is that . . . and I speak primarily about the Big Island, because I know that the situation on the other islands and the other counties are different, but particularly with respect to what has occurred on the Big Island, there are a number of residential homes that have been developed on agricultural land. Whether that was appropriate, inappropriate, legal, illegal, I think that is the situation as it is today.

“I think government really needs to take some of that responsibility with respect to why we’re so unclear in terms of how residences could be developed on agricultural land, and I mean government in all of its manifestations here in the State of Hawaii.

“So, I think this bill really attempts to correct some of the past wrong decisions that were made with respect to agricultural lands and many people unknowingly committed these actions and this simply attempts to provide them with some comfort so that they feel that they are comfortable moving forward. I think we have some bills in place, legislation that we’ve already adopted, that is looking at agricultural lands, the important agricultural lands as well as the rural district, and for those reasons, the amendments to this measure really made the implementation date 2009, after the important agricultural lands

have been designated, and then there was a one-year window for the counties to assess which residences they felt would be appropriately designated or reclassified.

“So, those were the amendments that we made. Hopefully, we’ve targeted the right residences with those amendments, but again I do acknowledge the fact that in every county it’s a very different scenario.

“Thank you, Madam President.”

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

The motion was put by the Chair and carried, S.B. No. 1219, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LAND USE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Ayes with Reservations, 2 (Ige, Kim). Noes, 6 (Baker, Chun Oakland, English, Hooser, Ihara, Tsutsui). Excused, 1 (Bunda).

S.B. No. 98, S.D. 1:

On motion by Senator Sakamoto, seconded by Senator Tokuda and carried, S.B. No. 98, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 739 (S.B. No. 1717, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 739 was adopted and S.B. No. 1717, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST UTILITIES SERVING THE GENERAL PUBLIC,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 744 (S.B. No. 711):

Senator Baker moved that Stand. Com. Rep. No. 744 be adopted and S.B. No. 711, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Gabbard rose in opposition to the measure as follows:

“Madam President, I rise in opposition to S.B. No. 711.

“This bill seemingly has good intentions in conforming Hawaii’s tax laws with the IRS by having a 10-year statute of limitation on delinquent taxes, however, I cannot support this measure because it could cost our state up to \$40 million each year in delinquent taxes that are now being collected.

“I also oppose this bill on principle because it is unfair that some people, tax scofflaws, would evade paying taxes while the vast majority of us abide by the rules and pay our fair share.

“Mahalo.”

Senator Fukunaga rose in support and said:

“Madam President, I rise to speak in support of this measure.

“I would direct the members’ attention to the committee reports for this measure – Stand. Com. Rep. No. 264 and Stand. Com. Rep. No. 744 – both take strong issue with the Department of Taxation’s calculation of the loss of revenues calculation. We believe that, with the Department’s moves to upgrade its computer systems and to align with the federal IRS requirements, that we would not be seeing those kinds of large revenue losses.

“We believe it makes a lot of sense to conform to the federal IRS with respect to the 10-year statute of limitations; and for those reasons, I urge my colleagues to vote in support of this measure.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 744 was adopted and S.B. No. 711, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Gabbard). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 745 (S.B. No. 896, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 745 be adopted and S.B. No. 896, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition and said:

“Madam President, I rise in opposition to S.B. No. 896.

“I rise in opposition because there is no dollar amount given. Colleagues, this provides that the High Tech Development Corporation will rent approximately 100,000 square feet of a yet-to-be-built building in Kakaako for a period of 10 years.

“My issue is that to what extent are we committing the taxpayers of the State of Hawaii for this incubator center? To what extent are rents going to be below market? What is the price tag? Is it 10 million, is it 20 million, or could it be as high as 40 million? I think there should be some clarity on the cost issues before we vote on this.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 745 was adopted and S.B. No. 896, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 750 (S.B. No. 148, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 750 be adopted and S.B. No. 148, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

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

“I do not think that this bill meets the constitutional mandate for a refund. I think there’s a big difference between a tax credit and a refund. A tax credit will not apply to all people. They’ll have to file for the tax credit. The bill still does not talk about a specific amount, and I think that the public is seeing that we’re dragging our feet in returning money as we are supposed to constitutionally. This bill does not do the job.



“Thank you.”

Senator Trimble rose to speak in opposition as follows:

“Madam President, I rise in opposition to the bill, but for different reasons.

“Colleagues, our shortfall, our current shortfall for the Employees’ Retirement System is \$5.1 billion. For the last three years, we have not experienced a surplus in anything more than an accounting sense because of the liabilities of the state in terms of our unfunded liabilities to the Employees’ Retirement System, failure to have a reserve for the health benefits that at least the retirees of our system feel that they deserve, for the prisons that we have yet to build, for the investments we have not made in our harbor system. We cannot look the taxpayer in the eye and say that we have done, spent, built, maintained all of the things that we are required to do, and therefore, I don’t think it is appropriate to return money with all these unfunded liabilities lists to be paid for.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 750 was adopted and S.B. No. 148, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 751 (S.B. No. 1882, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 751 be adopted and S.B. No. 1882, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure and said:

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

“For decades now we’ve talked about exempting food, the very basic of basic necessities, from the general excise tax, and what we’ve done is just made the tax more intolerable by raising it another 12½ percent January 1<sup>st</sup>.

“The Committee Report says that any discussion about exempting food should be reviewed very carefully. Well, as I said, we’ve reviewed it very carefully for many, many decades now. People on both sides of the aisle have said that they support the exemption of food, as they do medical expenses and even low-income rents from general excise tax, and yet we have not been able to accomplish this.

“The bill also talks about now establishing this food tax credit. I know my colleagues remember when in fact we did have a food tax credit. It was created and then it was abolished. The only fair and honest approach to asset building and to helping low-income people is to exempt food from general excise tax.

“Thank you.”

Senator Fukunaga rose to support the measure as follows:

“Madam President, I rise to speak in support of this measure.

“For members’ edification, a little bit of history: the food tax credit (which we first adopted in 1987) was cut in half in 1995

and repealed by Act 157, Session Laws of Hawaii 1998, during the lean times when prior administrations determined that we could no longer afford it. The food tax credit had one of the broadest bases in the state’s efforts to assist low-income and needy families.

“I would note for the record that, according to the 2004 tax credit data, there were a total of 1,023,724 qualified exemptions. Given the availability of this type of credit, the amount of recipients that would be benefited would be a very substantial number, and the revenue cost for such a credit would be in the range of a little bit over \$30 million. We believe that this type of credit goes a long way towards trying to help those who need it the most; and for those reasons, I would urge my colleagues to vote ‘yes.’

“Thank you.”

Senator Hemmings rose to speak against the measure and said:

“Madam President, I rise to speak against this legislation.

“This bill most assuredly will not help the people that need it the most, because the people that need it the most will not be filing tax returns. They are the poor that are on the beach that don’t even have a roof over their heads, much less the income and the wherewithal to file a tax return. They’re the street people who buy food and don’t file tax returns. What sense does it make to collect money with the intent of giving it back to the most needy?

“I’ll repeat what I’ve said before and what bears repeating every time people stand up and compassionately represent that they’re representing the little person on this Floor. I’ll remind the Majority Party that we have the most regressive tax system in the nation. The lowest 20 percent of our wage earners pay the highest proportion of their income in taxes, and yet there are some in this Body that would represent themselves as the compassionate ones while collecting money from the poor and then dealing it back to them and say they’re doing them a favor.

“Tax credits are regressive and do not help the people we proclaim that we are trying to help the most. Let’s be honest with those who need the help and not collect the tax in the first place. It’s unconscionable, and we’re one of the only states in the nation that collects taxes on food from people who are hungry. The honest thing to do is cut the tax completely.

“I’ll be voting ‘no,’ because this bill is basically a ‘shibai.’ Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 751 was adopted and S.B. No. 1882, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 752 (S.B. No. 100, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 752 be adopted and S.B. No. 100, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak in opposition and said:

“Madam President, I rise to speak against S.B. No. 100.

“Colleagues, this is a wonderful bill. What it does is that it tries to change how we do from one, a law, and one of rule, to one of extenuating circumstance.

“If we pass this bill, there will always be questions of why exceptions were given. Was it who you knew? I suggest if we’re going to do this, then why don’t we just give every Senator two wildcards that they can use at their discretion. It would simplify the process.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 752 was adopted and S.B. No. 100, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

S.B. No. 1793, S.D. 1:

On motion by Senator Menor, seconded by Senator Fukunaga and carried, S.B. No. 1793, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 762 (S.B. No. 1720, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 762 be adopted and S.B. No. 1720, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senators English, Tsutsui, Tokuda, Kim, Nishihara and Hooser requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 762 was adopted and S.B. No. 1720, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST JACOBY DEVELOPMENT, INC., A PROCESSING ENTERPRISE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 6 (English, Hooser, Kim, Nishihara, Tokuda, Tsutsui). Noes, 3 (Bunda, Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 771 (S.B. No. 1283, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 771 was adopted and S.B. No. 1283, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 773 (S.B. No. 11, S.D. 3):

Senator Baker moved that Stand. Com. Rep. No. 773 be adopted and S.B. No. 11, S.D. 3, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition as follows:

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

“Isn’t this interesting that we have a bill here to exempt the general excise tax on medical services, health care, but it’s only the surcharge portion – only 0.5. So we’re going to continue to charge people the 4 percent on many of these services that are not exempted already instead of making a broad-based decision and saying all health care costs should be exempt from this nefarious general excise tax.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 773 was adopted and S.B. No. 11, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO EXCISE TAX ON HEALTH CARE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 774 (S.B. No. 1450, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 774 be adopted and S.B. No. 1450, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure and said:

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

“Colleagues, when we increase the amount of money here, we are not going to increase the rental stock. We are not making it more available. All we’re doing is increasing the revenue that landlords receive. If you consider who pays the taxes and where the burden of taxation falls the heaviest, it is on the working poor and the middleclass. So, we here, by passing this bill, are making what is essentially a transfer payment from the working poor and the middle class, to people that own apartments.

“The second effect that this will have is because of the nature of the rent supplemental program, it will tend to have conversions of housing units from ones that are occupied by families, to ones that are occupied by single members. I don’t think that is a desirable consequence.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 774 was adopted and S.B. No. 1450, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE STATE RENT SUPPLEMENT PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Hee, Taniguchi).

Stand. Com. Rep. No. 777 (S.B. No. 1672, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 777 be adopted and S.B. No. 1672, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure and said:

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

“I think that there certainly should be an adjustment to the Medicaid fee schedule, however, I think that what’s proposed in

this bill is too costly. There is a retroactive feature which is going to cost \$26 million, but the full cost of the program is not discussed and then there will be an annual inflation adjustment. As the good Senator from Waikiki/Downtown has said previously, and we've talked about this for years, we really should know what the total costs are before we mortgage the lives of our children further.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 777 was adopted and S.B. No. 1672, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Hee, Taniguchi).

Stand. Com. Rep. No. 778 (S.B. No. 1937, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 778 be adopted and S.B. No. 1937, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition and stated:

"Madam President, I rise in opposition to S.B. No. 1937.

"Colleagues, this is not Bangladesh. The Department of Human Services is not DBEDT. And lastly, we have many programs where money and assistance is involved already without passing this piece of legislation. It is not necessary, and it is, perhaps, when you compare the cost of administration to the cost of the benefits being received, not an efficient way to proceed.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 778 was adopted and S.B. No. 1937, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 779 (S.B. No. 427, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 779 be adopted and S.B. No. 427, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure and said:

"Madam President, I stand in opposition to this measure.

"Colleagues, it is important. It must be, because there are two different bills that do this purpose that we will be discussing today. And in addition to that, the \$50 that would be provided is already in the administration budget. So, I'm voting against it not because it's important, but perhaps we could conserve paper and vote on only those issues where there's one bill in support.

"Thank you."

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

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

"I understand the Senator from Waikiki's confusion. This Senator had the same confusion, however, there are two different categories of individuals that need to have their personal needs allowance either established for them or raised. And yes, it's wonderful that it's in the administration budget, but it's a statutory provision that needed to be changed and that's why there are two bills, and given the title, it was impossible to combine them. But, I appreciate the remarks of the good Senator from Waikiki.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 779 was adopted and S.B. No. 427, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 781 (S.B. No. 733, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 781 be adopted and S.B. No. 733, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure as follows:

"Madam President, I again rise in opposition to this measure.

"Colleagues, when I rose last year, it only was for \$50,000 for a newsletter, now it's for \$100,000. I agree that appropriating money is important, but can't we do it through the normal budgetary process instead of separating little things out every once in awhile so we can write nice things in our own newsletter?

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 781 was adopted and S.B. No. 733, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 790 (S.B. No. 152, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 790 be adopted and S.B. No. 152, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure as follows:

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

"I like bicycles. I support bicycle paths. I own a bicycle. I know how to peddle my way around, but the idea of mandating 2 percent of funds to go to bicycling I think is an excessive amount. It destroys flexibility and choice and it's not wise fiscal policy.

"In addition to that, we've seen the highway fund raided. We have another bill coming up that's going to raise the gasoline tax to put money into the highway fund. So, in one hand we're trying to put money in, the other hand we're trying to take money out.

“So, I support the bicycles, but not the 2 percent inflexible rate. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 790 was adopted and S.B. No. 152, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRANSPORTATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 792 (S.B. No. 1412, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 792 was adopted and S.B. No. 1412, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE FRAUD,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 794 (S.B. No. 1839, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 794 was adopted and S.B. No. 1839, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAX SYSTEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 795 (S.B. No. 1840, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 795 be adopted and S.B. No. 1840, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure and said:

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

“I have some good friends that support this bill. Unfortunately, this bill is not a streamlining bill. This bill is a new tax; it’s an increase tax; it’s a backdoor tax on the Internet. We’ve been talking about and discussing this bill for three years now. It was sold to us as an opportunity to get lost revenues, but what really it is, is an opportunity to go after all of us who use the Internet for purchases and so forth. And it also is a way of getting around the federal requirements that the states do not have the ability to tax between borders.

“Initially, we were told that everybody was going to get together voluntarily and sing ‘Kumbaya’ and pass this compact. But as the years have gone on, we found that there are more sticking points. A number of states that initially supported the concept do not support the concept. Other states have found out how difficult it is when you have multiple purchases in multiple states.

“The bottom line, though, is it’s not going to do much for the consumers, in fact, it’s going to be an anti-consumer bill and it is going to add to the burden that we’ve been talking about all day for the low- and moderate-income and the homeless and so forth.”

Senator Fukunaga rose in support as follows:

“Madam President, I have prepared remarks which I would like to circulate to the members. But in lieu of meeting the

prior speaker’s arguments point by point, I have materials from the Streamlined Sales Tax Governing Board, as well as the Council on State Taxation, and from the National Conference of State Legislatures responding to most of the arguments that the prior speaker has made.

“Finally, with respect to his point that a number of states are disbanding the effort or are no longer interested in participating, I would like to point out that on March 1, 2007, Governor Mike Beebe signed four bills designed to bring Arkansas into full conformity with the Streamlined Sales and Use Tax Agreement, thereby boosting the number of participating states.

“For all of these reasons, I urge my colleagues to vote in support of this measure. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 795 was adopted and S.B. No. 1840, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 3 (Hee, Nishihara, Taniguchi).

Stand. Com. Rep. No. 797 (S.B. No. 1133, S.D. 3):

Senator Baker moved that Stand. Com. Rep. No. 797 be adopted and S.B. No. 1133, S.D. 3, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition as follows:

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

“This is the rental car surcharge. It was originally \$2 per day. It was bumped up to \$3 per day with the understanding that that would only be temporary. Now this bill would remove the temporary situation and the \$3 amount would stay in effect.

“People don’t understand that when we talk about rental cars, that local residents rent about 30 percent of the total. They use them for vacations, they use them for emergencies, they use them for all kinds of family purposes, but this represents yet another tax, another fee, another increase. And the fact that when we pass something and we say, ‘Oh, but it’s only going to be for a specific number of years and then it’s going to sunset because then the job will be done,’ and then we turn around and renege on that – shame on us.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 797 was adopted and S.B. No. 1133, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 14. Noes, 7 (Gabbard, Hemmings, Inouye, Menor, Slom, Trimble, Whalen). Excused, 4 (Hee, Ige, Nishihara, Taniguchi).

Stand. Com. Rep. No. 798 (S.B. No. 1969, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 798 be adopted and S.B. No. 1969, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure and said:

“Madam President, I stand in opposition to S.B. No 1969.

“Colleagues, here again we are carving society up into little groups, and every group in society that we could carve up is a deserving group. However, the sole criteria that makes sense is providing assistance based upon financial need. This does not have a financial needs test. If you don’t draw the line someplace, then why are you going to decide that the widows or the wives or the children of veterans weren’t as equally deserving in terms of tuition assistance?”

“I think that we ought to go back and have a simple criteria and that criteria is needs based. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 798 was adopted and S.B. No. 1969, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TUITION ASSISTANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 800 (S.B. No. 1947, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 800 be adopted and S.B. No. 1947, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

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

“An emergency appropriation for this tax measure, for this failed beverage container program – come on, give me a break! The state is already sitting on \$24 million-plus that they’ve extracted from the consumers of this state, and now they’re talking about they need more money to administer the bill, to hire more people, to take care of the growing success of this beverage tax. The only successful thing is that more and more people are being separated from their money.

“This is an atrocious bill, it’s an atrocious program. We need the Legislative Auditor to audit this program and the people that are making money off consumers in the name of recycling. A very strong ‘no’ is urged.

“Thank you.”

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

“Madam President, I rise in support of this administration bill.

“I would just note for my colleagues that this is an expenditure ceiling increase so that the monies that are in the fund can go back to the people that have been processing, collecting, and administering the fund.

“Thank you, Madam President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 800 was adopted and S.B. No. 1947, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPOSIT BEVERAGE CONTAINER PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 801 (S.B. No. 1228, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 801 be adopted and S.B. No. 1228, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition and said:

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

“Now, I know that it is not politically popular to rise and speak against a bill like this, but having sat through the hearings, I think it is incumbent that I do so. And the reason is, first of all, I know the bill explains this as the internment experience in Hawaii, and that certainly is a lot different from some of the experiences that American and Allied soldiers and war prisoners experienced during World War II. But the real problem that I have in this bill as the evidence suggested in the testimony, the sponsors of the bill are not even sure where the internment camps were. They don’t know exactly what it’s going to cost to do a memorial. They’re not sure of what the memorial would look like or what kind of facility it would be.

“I do not object to the idea of having a war memorial, but I think that we need much more information, and to rush into this without this very basic of information, I think is irresponsible of us. Thank you.”

Senator Espero rose in support of the measure as follows:

“Madam President, I’d like to rise in support of this measure.

“This measure addresses one of the most saddest chapters in the history of the United States of America – and that is the internment of Americans of Japanese ancestry during World War II. This follows, also, action take by our federal government to memorialize and recognize these locations throughout the United States of America.

“One area that was in the federal legislation was the Kunia Camp in the Kunia region near Royal Kunia. The exact location, as the Senator from Hawaii Kai did state, is not known. However, they have a general idea where it is located, and this land is currently up for sale. This is an area which should be purchased by the state and we should definitely memorialize this sad chapter in our history.

“We are looking also at providing matching funds so that we may tap into the federal legislation which appropriates millions of dollars for four sites. Thank you, Madam President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 801 was adopted and S.B. No. 1228, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HISTORICAL PRESERVATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 804 (S.B. No. 1463):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 804 was adopted and S.B. No. 1463, entitled: “A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE HAWAII HEALTH SYSTEMS CORPORATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1110, S.D. 1:

On motion by Senator Ige, seconded by Senator Fukunaga and carried, S.B. No. 1110, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Gabbard, Slom, Whalen). Excused, 1 (Hee).

S.B. No. 1117, S.D. 1:

Senator Ige moved that S.B. No. 1117, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Fukunaga.

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

"Madam President, I rise in support with reservations.

"I know health education is very important and I think some entities are good proponents in one manner, other entities are good proponents in another manner, and perhaps some can do both. But I believe just as peanut butter in a jar is good on one hand and jelly in a jar is good on the other hand, that demanding all peanut butter and jelly to come out like Goober's, combined in a bottle, doesn't make it better.

"I believe we can have accurate information by advocates on one hand and advocates on another hand as long as the school system or the entity that embraces an umbrella over the entities can see that both sides of the matter are fairly addressed.

"Thank you, Madam President."

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

The motion was put by the Chair and carried, S.B. No. 1117, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 2 (Kokubun, Sakamoto). Noes, 1 (Gabbard). Excused, 1 (Hee).

S.B. No. 1176, S.D. 1:

On motion by Senator Ige, seconded by Senator Chun Oakland and carried, S.B. No. 1176, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 816 (S.B. No. 892):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 816 was adopted and S.B. No. 892, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR SALARY INCREASES FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 823 (S.B. No. 610, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 823 be adopted and S.B. No. 610, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition as follows:

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

"The reason for my opposition is that there is a case pending against the state, and I think that it would be premature for the Legislature to make a determination and an appropriation. I think that we're going to see that substitute teachers are going to receive an amount, but I think that this interferes with the legal process. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 823 was adopted and S.B. No. 610, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE STATE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 826 (S.B. No. 940, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 826 was adopted and S.B. No. 940, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOMES COMMISSION ACT 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Gabbard, Hemmings, Slom, Trimble, Whalen). Excused, 1 (Hee).

Stand. Com. Rep. No. 827 (S.B. No. 1361, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 827 be adopted and S.B. No. 1361, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose and said:

"Madam President, please note my reservations. Thank you."

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 827 was adopted and S.B. No. 1361, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 1 (Trimble). Noes, 1 (Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 828 (S.B. No. 939, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 828 was adopted and S.B. No. 939, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Gabbard, Hemmings, Slom, Trimble, Whalen). Excused, 1 (Hee).

Stand. Com. Rep. No. 832 (S.B. No. 1877, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 832 be adopted and S.B. No. 1877, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Ihara rose and said:

“Madam President, please note my reservations.”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 832 was adopted and S.B. No. 1877, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Ihara). Noes, none. Excused, 1 (Hee).

Stand. Com. Rep. No. 835 (S.B. No. 1705, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 835 be adopted and S.B. No. 1705, S.D. 2, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure as follows:

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

“At the present moment, we do not know whether we’re talking about an asset or a liability. Before we convey a transfer, we at least ought to have the information in front of us as to what the revenue is, what the expenditures are, what are the upcoming liabilities in terms of capital expenses, and then the various interested parties could make a more rational decision as to whether this is desirable or not.

“Thank you.”

Senator Kokubun rose in support as follows:

“Madam President, I stand in support of this bill.

“Madam President, the Moloka‘i Irrigation System is a tremendous asset to the State of Hawai‘i. There can be no mistake about that. In fact, for the Island of Moloka‘i, this is probably the most important infrastructure piece for the future of agriculture on Moloka‘i.

“I would urge all my colleagues to support this measure. Thank you.”

Senator English rose to support the measure and said:

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

“Members, I introduced this measure because the Moloka‘i Irrigation System is indeed one of the most important state assets on Moloka‘i, and it’s very important for the operations of the island. I ask your support of this because many of the people on Moloka‘i wish to have greater control of their own asset. We know that this irrigation system brings in more money than is expended for them, and they simply want to be able to have a say in how that money is allocated for their operations on the island.

“I ask your support of this measure. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 835 was adopted and S.B. No. 1705, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE MOLOKAI IRRIGATION SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 837 (S.B. No. 933, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 837 be adopted and S.B. No. 933, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition to the measure and said:

“Madam President, I rise in opposition to S.B. No. 933.

“This is an extremely interesting bill. Our intentions may be wonderful here, but how it is used in the future is beyond belief. Here we have a situation where we can buy land at more than it is appraised for. Believe me, when you’re ready to buy land under those terms, please come see me.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 837 was adopted and S.B. No. 933, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LAND ACQUISITIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 838 (S.B. No. 546, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, Stand. Com. Rep. No. 838 was adopted and S.B. No. 546, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO LAND USE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 1823, S.D. 1:

Senator Nishihara moved that S.B. No. 1823, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kim.

Senator Trimble rose to oppose the measure and stated:

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

“I take exception to the committee report which says that Murray Towill of the Hawaii Hotel and Hospitality Association just offered comments. And so that you can decide for yourself whether the mild-mannered Murray Towill is in support or in opposition, I want you to hear his words: ‘We are unsure of the reasons for the change in the way the membership of the Hawaii Tourism Authority are appointed. We believe that the present system of appointment has worked well. S.B. No. 1823 creates a system where there are seven appointing authorities – Governor, Senate President, House Speaker, and four county Mayors. With the multitude of appointing authorities, it is unclear who will ensure that at least six of the public members will have the necessary visitor industry experience.’

"This is a terribly flawed measure. I suggest that if we cannot recommit it, at least vote 'no' against it and we can take it up in another year. Thank you."

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

The motion was put by the Chair and carried, S.B. No. 1823, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Ayes with Reservations, 1 (Inouye). Noes, 5 (Gabbard, Hemmings, Slom, Trimble, Whalen). Excused, 1 (Hee).

S.B. No. 1726:

Senator Nishihara moved that S.B. No. 1726, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose in opposition and said:

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

"This is our annual bill of who's going to control the State Capitol. This bill leaves part of the control with DAGS but also adds the Joint Legislative Management Committee. I think we experimented several years ago where we had joint committee chairs in the Senate. That didn't work too well then. Anytime you have divided responsibility, that doesn't work too well.

"The argument is made – well, the Legislature occupies the Capitol building, most of it, so the Legislature should be consulted, and certainly that is true. And I don't recall a time when the Legislature, whether it was consulted or not, did not offer its opinions as to how to change things and make the process better, but I don't think that this bill is on its way. However, I am keeping an open mind and my vote will change if somebody from the Legislative Management Committee can tell me and, more importantly, show me how they're going to fix these damn elevators in this building.

"Thank you, Madam President."

Senator Trimble rose to speak against the measure as follows:

"Madam President, I rise in opposition, or partial opposition, to this measure.

"The previous speaker probably missed the most important – perhaps we should consider joint and shared responsibility, but to make it really clear, you know, we should have division of authority. If the Legislature, in its wisdom, would see to the clearing of the ponds on both sides of its algae, successfully, maybe that would be the litmus test for them taking control of this building.

"Thank you."

Senator Ige rose and said:

"Madam President, to our colleague from Hawaii Kai, I would just suggest that the solution to the elevators is to use the stairs. It always works and never crashes." (Laughter.)

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

"Madam President, I speak in favor of S.B. No. 1726.

"The bill recognizes the reality that three-fourths of this building is occupied by the Legislature. However, the management is not joint, or should I say, out of joint. This is not a turf battle as some may believe, but asks that DAGS works in conjunction with the Joint Legislative Management Committee of the Legislature. As an example, the State Judiciary does manage its own facility, as does other departments.

"This bill hopes to open a cooperative dialogue between DAGS and the users of this singularly important facility. There are issues that can best be addressed if there is such cooperation.

"I ask for your support. Thank you."

The motion was put by the Chair and carried, S.B. No. 1726, entitled: "A BILL FOR AN ACT RELATING TO THE STATE CAPITOL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Bunda, Hemmings, Inouye, Slom, Trimble). Excused, 1 (Hee).

Stand. Com. Rep. No. 844 (S.B. No. 586, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 844 be adopted and S.B. No. 586, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition as follows:

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

"Colleagues, is there any area that we do not wish to expand our authority into? This does truly represent the expansion of bureaucracy, but in this case, the bureaucracy is us. Thank you."

Senator Taniguchi rose and said:

"Madam President, I just want to note my support with reservations."

The Chair so ordered.

Senator Slom rose in opposition as follows:

"Madam President, briefly, I stand in opposition to this bill.

"The position and the Office of Legislative Analyst was created, I think, like 17 years ago. We've gotten by without this office this long. The question is, What could another office and another agency do to provide us with more economic data, more information that we don't have already or that we don't get either from our excellent Ways and Means staff, from our Majority and Minority Offices, from the Office of the Legislative Reference Bureau, and other agencies? I don't think the question is that we need more information, and I don't think the question is that we need another office, and staff, and money, and all of that. I think the answer is that we need to act on some of the past studies we've had and on some of the past data that has been presented to us.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 844 was adopted and S.B. No. 586, S.D. 1, entitled:



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

Ayes, 19. Ayes with Reservations, 1 (Taniguchi). Noes, 5 (Espero, Hemmings, Inouye, Slom, Trimble). Excused, 1 (Hee).

At 2:36 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:39 o'clock p.m.

S.B. No. 1948, S.D. 1:

Senator Baker moved that S.B. No. 1948, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose in opposition to the measure and said:

"Madam President, I rise in opposition of this measure.

"I rise on two grounds. First, this was not heard before the Energy Committee and I think it's appropriate that the Energy Committee hear this SPRB. Second, my memory is somewhat clouded about what occurred in 1993, but what I remember from the newspaper is that the cogeneration unit in question is coal fired. The attitudes of society have changed in the last few years about the desirability of the use of coal in the generation of electricity. So, if your attitude has changed since 1993, maybe it is appropriate that before we approve this SPRB that we give the members of this Body a chance to weigh in on the change in the way in which this electricity would be generated.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 1948, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR PROJECTS ON THE ISLAND OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Hemmings, Trimble). Excused, 3 (Bunda, Hee, Kim).

S.B. No. 1926, S.D. 1:

Senator Baker moved that S.B. No. 1926, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure and stated:

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

"Unfortunately, colleagues, there are only two people here that have ever served working for the executive branch of government. Let me assure you that the level of discontent is sometimes high and if given the opportunity to complain about waste in government before somebody was disciplined, I'm sure they would, because government, by definition, is inefficient. That is one of the grounds of being a whistleblower. Governments do not, as a whole, operate efficiently. Governments as a whole have an incentive to consume all resources that are available to them. They spend money fully, not efficiently.

"So, before we pass a well-intentioned whistleblower law, we should recognize that it is only going to encourage our government employees to complain and to whistle-blow if they ever assumed that their supervisor might seek to take disciplinary action against them.

"It is not a good bill. Its intentions are fine, but its impact is going to be terrible. Thank you."

The motion was put by the Chair and carried, S.B. No. 1926, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WHISTLEBLOWERS' PROTECTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Bunda, Hee).

S.B. No. 249:

Senator Chun Oakland moved that S.B. No. 249, having been read throughout, pass Third Reading, seconded by Senator Ihara.

Senator Trimble rose in opposition as follows:

"Madam President, I rise not in opposition to fatherhood, but to this measure, which seeks to make the Commission on Fatherhood permanent.

"All the commissions we have are good commissions or we as a Legislative Body would not approve them. Unfortunately, we keep adding commissions and new commissions each year and the list goes on. Will we ever reach a time when we evaluate when we have enough commissions and perhaps we should combine the Commission on Fatherhood with the Commission on Motherhood.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 249, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON FATHERHOOD," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 855 (S.B. No. 1805, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 855 be adopted and S.B. No. 1805, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

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

"Madam President, I rise again in opposition.

"Again, we're creating another licensed class of experts. I think it is appropriate that we use some other authority other than whim as to decide when there's another group that needs to be certified, regulated, and classified. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 855 was adopted and S.B. No. 1805, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENETIC COUNSELORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Hee).

S.B. No. 230, S.D. 1:

Senator Taniguchi moved that S.B. No. 230, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak against the measure and said:

“Madam President, okay, I’ll say the three speeches all at one time. I stand in opposition.

“We are dealing, in this case, with copper. What’s wrong with silver and gold? If we are trying to defer and we are trying to have a deterrent to crime, the most important deterrent to crime we could have is the certainty of being arrested, after that, the certainty of being convicted. It is not the penalty that deters crime.

“What has happened in the last few weeks is that we finally got some arrests of people that were stealing copper and turning it in to recyclers. The media has reported the arrests, so what we can anticipate is that now the community knows that the people that steal copper are going to be getting arrested for stealing copper. The problem, to a large extent, has already gotten taken care of.

“What we need to do when we pass legislation is not do a knee jerk reaction based upon what is in the media. What we ought to look at is how we can deter crime going forward and that is to ensure that our laws are consistently enforced and that those that perpetrate crimes are arrested for them quickly.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 230, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SCRAP METAL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 859 (S.B. No. 1332, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 859 was adopted and S.B. No. 1332, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO METAL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Hee).

S.B. No. 1008, S.D. 1:

Senator Taniguchi moved that S.B. No. 1008, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition as follows:

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

“As testimony before the Commerce and Consumer Protection Committee showed, the Insurance Commissioner and the Securities Division had meaningful amendments which were not incorporated in the S.D. 1 of this bill and their position was that the sale of these annuities was ambiguous at best and there needed to be clarification. The clarification has not been made and actually the bill may do more harm than good.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 1008, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ANNUITIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Bunda, Hee).

S.B. No. 1011, S.D. 1:

Senator Taniguchi moved that S.B. No. 1011, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose to speak against the measure and said:

“Madam President, I rise in opposition to this bill as well.

“There is a problem today with new car owners, and that is the cost of the keys has skyrocketed and the ability to make copies of keys is limited and costly. In the old days we went to Longs and the key shop or even F.W. Woolworth and we got three keys for a dollar. Now you’ll pay \$75 or \$100 because they are so-called ‘smart’ keys with chips in them and computerized. The problem is that the manufacturers have codes for these keys and most of the manufacturers do not keep the codes locally or make them easily accessible to either the purchasers of the automobiles or to locksmiths.

“Normally, a person, when they buy a new car, will get two keys and they may get an extra two keys, and that’s sufficient. But for the person who has recently been locked out of their car and had difficulty in getting another key and had to wait for the manufacturer, it’s been a long and arduous process. So, what this legislation seeks to do is to force the manufacturers to share their key codes with locksmiths.

“There are several problems with this bill. One is that we’re talking about privacy, we’re talking about confidentiality, we’re talking about ID theft, we’re talking about some problems that have arisen with locksmiths themselves and the availability of this information. Now, there should be an easier way for consumers and purchasers to get even these most expensive keys and the codes, and a number of the manufacturers are working on that.

“This bill is patterned after a piece of legislation passed in California last year. A gentleman that was instrumental in passing that legislation came before our CPH Committee. I asked him several questions. I said, ‘How is the bill working so far? What’s your experience been?’ Well, even though the bill was passed in 2006, it does not become effective until 2008. So, in fact they have no experience with it. But, we do know that these issues, very real issues of privacy and cost, continue. Meanwhile, spurred on perhaps by that legislation in California, nationally, the manufacturers have taken steps to ensure that the key codes are much more available, much quicker all across the country, including Hawaii.

“But again, it gets down to a basic responsibility for a car owner, and that is the car owner: (1) should make additional keys; (2) should know where those keys are; and (3) take care of them. The other part of this puzzle is that if you buy that car and sell that car a month later, it becomes a used car, and the bill does not cover used cars.

“So, I think that we need to have a lot more information before we pass this bill, and at least in the State of California, which is the only state to pass such legislation, let’s see what

happens when their bill actually becomes effective next year and what kind of experiences they have.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 1011, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO MOTOR VEHICLE KEY INFORMATION ACCESS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Inouye, Slom, Trimble). Excused, 1 (Bunda).

S.B. No. 1337:

Senator Hee moved that S.B. No. 1337, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose in opposition to the measure and said:

“Madam President, I rise in opposition to S.B. No. 1337.

“Colleagues, over the last few years, one of the joys of being a Senate member is the opportunity to visit our district courts and our circuit courts and, in particular, our family courts. I found it interesting because there are a whole bunch of people out there of our gender that typically pay child support without even determining whether indeed there is a DNA relationship, and the State of Hawaii and whoever enforces the rules against the ‘deadbeat dads’ are really enforcing it against the naïve and the ‘deadbeat boobs’ because paternity is not rigorously determined.

“The other thing I’ve discovered is that many of the people that get into trouble with the law are not bad people, they are just marginally getting along. And so to assume, because somebody doesn’t show up, that they’re in contempt of court, I think is not understanding the general population of people out there that fit into this particular circumstance.

“So, I ask you to consider carefully the laws that you are making. Thank you”

The motion was put by the Chair and carried, S.B. No. 1337, entitled: “A BILL FOR AN ACT RELATING TO CONTEMPT OF COURT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

S.B. No. 957:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 957, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 876 (S.B. No. 1392, S.D. 2):

Senator Hee moved that Stand. Com. Rep. No. 876 be adopted and S.B. No. 1392, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and stated:

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

“What this bill purports to do is protect those that have diminished capacity, and I at least think that some of you should think that diminished capacity does not begin at the age of 62. Yes, elders have been targeted, but not because they’re elder. It is because they have more money and usually it takes a while to get that money.

“If we’re really interested in applying the right kind of penalties, we should have enhanced penalties for those that seek to commit crimes against the members of our society that have money, then we would be targeting the law to minimize the activity that we’re seeking to diminish. It’s not about being elderly, it is about having money. And so, let’s not make a law where we think just because you are 62, that you have diminished capacity.

“On last year’s ballot, there was a measure that would remove the retirement age for our state judges. If I remember correctly, the age limit we were trying to raise was somewhat above this level of 62.

“Thank you, Madam President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 876 was adopted and S.B. No. 1392, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ENHANCED PENALTIES FOR SECURITIES VIOLATIONS COMMITTED AGAINST ELDERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 877 (S.B. No. 1422, S.D. 1):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 877 was adopted and S.B. No. 1422, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SANCTIONS FOR VIOLATIONS BY MORTGAGE BROKERS AND SOLICITORS COMMITTED AGAINST ELDERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

S.B. No. 228, S.D. 1:

Senator Hee moved that S.B. No. 228, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose in opposition to the measure as follows:

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

“Again, we are trying to reduce the amount of graffiti. We do not do that by allowing the graffiti to remain up so that if a person is caught, he has 60 days to paint it over. Studies have shown that if you want to reduce graffiti, you paint over it immediately; you do not leave it up. If you pass this law and people are tempted to leave the graffiti up until such time as the perpetrator is caught and given the 60-day opportunity to paint it over, what in fact you will be doing is helping to encourage the spread of graffiti, not the control thereof.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 228, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO

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

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

S.B. No. 1961, S.D. 1:

Senator Hee moved that S.B. No. 1961, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure as follows:

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

“Colleagues, this is a measure where there was no one from Hawaii that spoke against it. The only testimony was provided from somebody, I guess you would call him foreign because they were not from the State of Hawaii but they weren’t alien; they were just from Colorado. We had one person to testify. He was from Colorado. Based on his testimony, I don’t think it’s sufficient reason to enact this law.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 1961, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BAIL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Bunda).

S.B. No. 56, S.D. 1:

Senator Hee moved that S.B. No. 56, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak against the measure as follows:

“Madam President, I rise in opposition to S.B. No. 56.

Colleagues, this is the second time in two years I’ve gotten to speak against this. Actually, last year I spoke against the bill that this year we’re trying to amend. Last year when I got up and spoke, I said that people have, the citizens have a constitutional right for unfettered representation from their elected State Legislature. So, you in your wisdom took my comments to heart and said that no elected official would be required to serve on jury duty whenever the Legislature – us – was in Session, ignoring the fact that there were other elected officials in this world other than us.

“What we should do is ask somebody, like the Legislative Reference Bureau, to do a study in terms of who should serve on juries, take their advice instead of every year, ala carte, whoever came to us and complained change who serves on a jury duty based upon the person that came to our office and complained. This is not the way to make good law and to have what we do respected by the public.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 56, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO JURY SERVICE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

S.B. No. 1642, S.D. 1:

Senator Hee moved that S.B. No. 1642, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose in opposition to the measure and stated:

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

“This bill essentially would remove and eliminate all management rights in contracts and basically make employees co-employers so that they could regulate themselves in all cases. Management is responsible for the decisions they make or for decisions they don’t make. Bills like this actually take away their responsibility for decision making but still leave them with the accountability and liability. It’s a bad bill and it does not do anything to help employees or labor in general.”

Senator Sakamoto rose in support with reservations as follows:

“Madam President, I rise in support with reservations.

“I agree with the concerns about management rights and am also concerned about the Judiciary making decisions that perhaps change the way laws should be.”

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

The motion was put by the Chair and carried, S.B. No. 1642, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LABOR,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Ayes with Reservations, 3 (Gabbard, Ige, Sakamoto). Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Bunda).

S.B. No. 1662, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1662, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EMPLOYMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Bunda).

S.B. No. 1060, S.D. 1:

On motion by Senator Hee, seconded by Senator Kokubun and carried, S.B. No. 1060, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO WORKERS’ COMPENSATION LAW,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Sakamoto, Slom, Trimble, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 894 (S.B. No. 1103, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 894 be adopted and S.B. No. 1103, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure as follows:

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

“Again, this is another bill where negotiations are in progress right now and we’re using the force of government and the Legislature to interfere with those negotiations and also to commit untold resources to subsidizing or purchasing parts of or all of Kukui Gardens. We should allow the negotiations to go forward and to be completed first, and then if necessary, we can take action.

“Aloha.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 894 was adopted and S.B. No. 1103, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HOUSING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 895 (S.B. No. 686, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 895 was adopted and S.B. No. 686, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATIONAL ASSISTANTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Hemmings). Excused, 2 (Bunda, Taniguchi).

Stand. Com. Rep. No. 897 (S.B. No. 1136, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 897 was adopted and S.B. No. 1136, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Hemmings, Slom). Excused, 2 (Bunda, Taniguchi).

Stand. Com. Rep. No. 899 (S.B. No. 1614, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 899 was adopted and S.B. No. 1614, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Taniguchi).

Stand. Com. Rep. No. 900 (S.B. No. 1820, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 900 be adopted and S.B. No. 1820, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

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

“There has been quite an amount of discussion and controversy involving accountability and transparency of the Department of Education, and this bill would remove even the slimmest of the existing transparency by creating a separate and independent budgetary account. I think that there may be

constitutional problems with doing this, but there certainly are fiscal problems, and as Legislators, we should not support this.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 900 was adopted and S.B. No. 1820, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Bunda, Taniguchi).

Stand. Com. Rep. No. 901 (S.B. No. 1143, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 901 was adopted and S.B. No. 1143, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Bunda, Taniguchi).

At 3:06 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:18 o’clock p.m.

Stand. Com. Rep. No. 902 (S.B. No. 1154, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 902 be adopted and S.B. No. 1154, S.D. 2, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure as follows:

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

“Now, wait a minute, I’m confused. I thought earlier the whole idea was we were going to have joint management and joint control, but this bill seems to take away the power of the Executive and give it to the Legislature for approval for the Board of Regents and University of Hawaii projects, and the university is opposed to this. So, we’re even taking away the power from the University of Hawaii to have the autonomy that we granted them years ago.

“What this bill does is, I think, give us a recipe for delaying projects, certainly to interfere with efficiency and certainly with autonomy, and I urge members to oppose it.”

Senator Sakamoto rose to support the measure and stated:

“Madam President, I rise in support and with a clarification to the previous speaker.

“This measure is what Mr. Todo and the university wants. There were concerns raised by budget and finance and the attorney general. One of the concerns raised was will this bill have the Legislature giving away legislative authority over certain issues.

“There still are concerns with the bill. It has a defective date, and I think valid concerns we’ll consider if indeed this bill were to survive until the end of Session.”

Senator Hee rose in support and said:

“Madam President, I rise to support this bill.

"This bill has so much hair on it that it really needs a barber, and it needs a barber with a cane knife, not a scissors. The previous speaker is absolutely correct. Anytime Mr. Todo supports an issue that involves the university, you know that it gives away things as opposed to taking away things. So, I have asked the previous speaker if I can participate with him and carry one end of the cane knife while he carries the other, and we will take it and cut it to pieces.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 902 was adopted and S.B. No. 1154, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 906 (S.B. No. 1026, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 906 was adopted and S.B. No. 1026, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 907 (S.B. No. 642, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Inouye and carried, Stand. Com. Rep. No. 907 was adopted and S.B. No. 642, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 908 (S.B. No. 993, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 908 was adopted and S.B. No. 993, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON THE ISLAND OF OAHU," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 909 (S.B. No. 1943, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Tokuda and carried, Stand. Com. Rep. No. 909 was adopted and S.B. No. 1943, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

Stand. Com. Rep. No. 913 (S.B. No. 1442, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 913 was adopted and S.B.

No. 1442, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION BOARD ALLOWANCE FOR FORMER FOSTER YOUTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

Stand. Com. Rep. No. 915 (S.B. No. 970, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 915 was adopted and S.B. No. 970, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

Stand. Com. Rep. No. 917 (S.B. No. 1629, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 917 was adopted and S.B. No. 1629, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF REVENUE BONDS TO ASSIST HAWAII HEALTH SYSTEMS CORPORATION OR ANY OF ITS REGIONAL SUBSIDIARY CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

Stand. Com. Rep. No. 918 (S.B. No. 1804, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 918 was adopted and S.B. No. 1804, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRAUMA SYSTEM SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Slom, Trimble, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 920 (S.B. No. 1585, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 920 was adopted and S.B. No. 1585, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC SITES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 924 (S.B. No. 1925, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 924 was adopted and S.B. No. 1925, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SUSTAINABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 926 (S.B. No. 1380):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 926 was adopted and S.B. No. 1380, entitled: "A BILL FOR AN ACT RELATING TO

THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 927 (S.B. No. 891):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 927 was adopted and S.B. No. 891, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 928 (S.B. No. 1384, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 928 was adopted and S.B. No. 1384, S.D. 1, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 929 (S.B. No. 1382, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 929 was adopted and S.B. No. 1382, S.D. 1, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 930 (S.B. No. 1387, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 930 was adopted and S.B. No. 1387, S.D. 1, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 931 (S.B. No. 1383, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 931 was adopted and S.B. No. 1383, S.D. 1, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 932 (S.B. No. 1928, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 932 be adopted and S.B. No. 1928, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure as follows:

“Madam President, I rise in opposition to S.B. No. 1928.

“This is another bill that increases the size of the bureaucracy. The bureaucracy that we’re seeking to increase is that of the Legislature. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 932 was adopted and S.B. No. 1928, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE OFFICE OF THE AUDITOR,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 934 (S.B. No. 156, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 934 be adopted and S.B. No. 156, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition as follows:

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

“We have a problem in Hawaii in terms of voter turnout – low voter turnout. I don’t think we’re going to solve the problem by making it easier for people to get a hold of ballots and for the chain of command to be weakened. I don’t think it’s a question so much of making it easier to vote as it is to making sure that our policies of voting and our issues are clear. We’ve made a first step now – we’re going to have a new Chief Elections Officer. After 25 years, I think that’s going to be a very positive step. Mail-in ballots, however, I think is problematical.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 934 was adopted and S.B. No. 156, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO VOTING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 936 (S.B. No. 323, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 936 be adopted and S.B. No. 323, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure and stated:

“Madam President, I rise in opposition to this bill on two grounds.

“Number one, it permits the establishment of alien bank accounts. Number two, it provides that administrative overhead will be paid with general fund money. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 936 was adopted and S.B. No. 323, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 943 (S.B. No. 94, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 943 was adopted and S.B.

No. 94, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 949 (S.B. No. 959, S.D. 2):

On motion by Senator Espero, seconded by Senator Baker and carried, Stand. Com. Rep. No. 949 was adopted and S.B. No. 959, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROCEDURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Bunda, Hee).

Stand. Com. Rep. No. 956 (S.B. No. 12, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 956 be adopted and S.B. No. 12, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure and said:

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

"It's a tough bill to be either for or against. We certainly have a real problem with health insurance and with rates. We've had the rate regulation previously. I don't think that the problem is solvable by rate regulation. Our problems are caused by having the only Prepaid Health Care Act – a legislative act – of its kind in the nation, number one, and a lack of competition and an environment that fosters insurance competition, number two.

"So, the rates are symptomatic of a larger cause and just being able to have the government regulate the rates in a greater fashion and more government intervention is not going to solve the root cause of our health care problem.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 956 was adopted and S.B. No. 12, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE RATE REGULATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 958 (S.B. No. 1004, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 958 be adopted and S.B. No. 1004, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Ige.

Senator Hemmings rose for a conflict ruling as follows:

"Madam President, I need a conflict ruling from you. My wife Lydia is employed by the Hawaii Psychiatric Medical Association and is a paid employee and also a lobbyist."

The President replied:

"You may vote."

Senators Espero, Menor, Trimble, Tokuda, Kokubun, and Gabbard requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 958 was adopted and S.B. No. 1004, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 15. Ayes with Reservations, 6 (Espero, Gabbard, Kokubun, Menor, Tokuda, Trimble). Noes, 9 (Chun Oakland, Hemmings, Hooser, Inouye, Kim, Nishihara, Sakamoto, Slom, Whalen). Excused, 1 (Bunda).

At 3:32 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:33 o'clock p.m.

Stand. Com. Rep. No. 963 (S.B. No. 1131, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 963 was adopted and S.B. No. 1131, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Hemmings). Excused, 1 (Bunda).

Stand. Com. Rep. No. 964 (S.B. No. 613, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 964 was adopted and S.B. No. 613, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 966 (S.B. No. 1177, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 966 was adopted and S.B. No. 1177, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GLOBAL YOUTH CENTER IN HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 969 (S.B. No. 675):

Senator Hee moved that Stand. Com. Rep. No. 969 be adopted and S.B. No. 675, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to oppose the measure and said:

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

"The Tax Review Commissions have served us well. They are volunteers, they do a good job, they make a critical analysis of our tax system and individual taxes. Because we propose tax increases on an annual basis, because taxes and their application change, I think it is imperative that we continue to have the Tax Review Commission meet every five years. I'd be even happier if we adopted more of their recommendations.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 969 was adopted and S.B. No. 675, entitled: "A BILL



FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 3, OF THE HAWAII CONSTITUTION, TO CHANGE THE APPOINTMENT OF THE TAX REVIEW COMMISSION TO EVERY TEN YEARS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 971 (S.B. No. 1053, S.D. 1):

Senator Hee moved that Stand. Com. Rep. No. 971 be adopted and S.B. No. 1053, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose in opposition to the measure and stated:

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

"We certainly need eminent domain protections, particularly since the U.S. Supreme Court *Kelo* case. Most states, in fact, have reacted or have been proactive in this area and it looked for a while that we were going to do the right thing, too. But, there is an exemption in this bill, and the exemption in this bill has to do with the City and County of Honolulu mass transit project.

"The reason there's an exemption is because the City and County of Honolulu is going to be coming after residential properties. Whether we're talking about the initial route or the subsequent routes that are planned, the City is going to come after private residential properties and private governmental or, I should say, commercial properties for use by the government, not only in terms of use for stations, but also for private commercial activities. So, it will be the same thing, taking private property for use for other private users who come through the City and County of Honolulu.

"I think this is a bad precedent. We should have a good bill that protects property rights and keeps the government hands off private property for other selected private property developers. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 971 was adopted and S.B. No. 1053, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMINENT DOMAIN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 980 (S.B. No. 1388, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 980 was adopted and S.B. No. 1388, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 981 (S.B. No. 1389, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 981 was adopted and S.B. No. 1389, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 982 (S.B. No. 1391, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 982 was adopted and S.B. No. 1391, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 990 (S.B. No. 1918, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 990 was adopted and S.B. No. 1918, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CHILDREN'S HEALTH CARE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 992 (S.B. No. 1500, S.D. 3):

Senator Baker moved that Stand. Com. Rep. No. 992 be adopted and S.B. No. 1500, S.D. 3, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak in opposition and said:

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

"The original appropriation amount was \$4.5 million to the State of Hawaii. The State of Hawaii is already getting 10 percent of the surcharge collections, which is estimated for this year alone between \$15 and \$20 million. I had asked the question of the Tax Director during this hearing, What would they do with the added \$4.5 million and what's the emergency? The emergency is that the county wants the state to collect. The state is going to collect and there's going to be an additional administration charge. It's not going to be \$4.5 million, it's not going to be \$2.5 million, and it certainly isn't going to be 15 to \$20 million, but we have created a windfall for the state with this surcharge and to give them anymore money, I think, is unconscionable.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 992 was adopted and S.B. No. 1500, S.D. 3, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF TAXATION COUNTY SURCHARGE IMPLEMENTATION COSTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 997 (S.B. No. 1923, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 997 be adopted and S.B. No. 1923, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure as follows:

"Madam President, I rise in opposition to S.B. 1923.

"It is at this time in the day where some of us might prefer to be in Ceylon talking or discussing with some of the terra cotta warriors the legislation. What we have in front of us is a bill that would require pre-legislative approval for land exchanges. We already, in the Legislature, have the right to control because we have the right to disavow such exchanges.

"I don't think going in this direction now is in the long-term interest of either the state or the individual Senators I see represented today. As I look around the room, I see many capable people who someday might occupy the fifth floor in this building. Were that to occur, this is certainly not a piece of legislation you would like on the books because it really would tie your hands in terms of trying to move the state forward in a rational way.

"Thank you."

Senator Kokubun rose in support of the measure as follows:

"Madam President, I rise in support of the measure and I'll be very quick about it.

"I believe the terra cotta soldiers were in a tomb initially, but I don't consider this to be a tomb. The previous speaker was absolutely correct in terms of land exchange and what this legislation would do. However, the issue is not really who's going to occupy the fifth floor; the issue really is the fact that we have a very finite and limited resource in terms of state lands, and I think we need to consider those resources in a very careful manner. The Legislature, in this proposed piece of legislation, would take a proactive position in terms of land exchanges, and in the next subsequent bill, it will deal with the sale of state lands.

"Again, really the motivating factor was the fact that we should recognize our state lands as very finite, very valuable resources, and that we need to take a very proactive step in terms of addressing our legislative authority with those resources.

"Thank you, Madam Chair."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 997 was adopted and S.B. No. 1923, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LANDS CONTROLLED BY THE STATE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 998 (S.B. No. 1924, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 998 was adopted and S.B. No. 1924, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LANDS CONTROLLED BY THE STATE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 999 (S.B. No. 1644, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 999 be adopted and S.B. No. 1644, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to speak against the measure as follows:

"Madam President, very quickly, this creates a special fund, number one. And number two, it is addressing concerns and damage losses on a piecemeal basis when we should be doing it in one bill for all people who suffer losses. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 999 was adopted and S.B. No. 1644, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1000 (S.B. No. 162, S.D. 1):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1000 was adopted and S.B. No. 162, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IOLANI PALACE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1003 (S.B. No. 1528):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1003 was adopted and S.B. No. 1528, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC INFRACTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1004 (S.B. No. 946, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1004 was adopted and S.B. No. 946, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE LICENSE REVOCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1008 (S.B. No. 1932, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1008 be adopted and S.B. No. 1932, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings rose in favor of the measure as follows:

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

"In doing so, I want to ask the question, How much money should we continue to throw at the repair and maintenance of our schools and continue to have the problem? A similar question could be asked of the education system which we are now spending \$2.3 billion a year on. In the last five years – FY 2003, \$130 million repair and maintenance, FY 04, \$74 million, followed by \$245 million, followed by \$233 million; this year \$177 million and we had a cash infusion of \$225 million for this year's budget.

"The question is, What is wrong? Why aren't our schools repaired? In the last five years, over \$1 billion has been spent on repair and maintenance and our schools are still falling down. Sooner or later, we're going to find out that the real

problem is the system by which we spend this money and we'll reform it in order to get our schools fixed rather than just tell our constituents we solved the problem again by throwing more money at it.

"I'm voting in favor of this legislation because it's necessary to at least get the ball rolling on getting these schools fixed, but we're going to have to hold the system accountable and hope that this Legislature in its wisdom will come to grips with this underlying, undeniable fiscal fact.

"Thank you, Madam President."

Senator Sakamoto rose in support of the measure and stated:

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

"The previous speaker questioned when will the repair and maintenance . . . part of his line of questions was, When will that be done? A few years back, the backlog was \$800 million, then \$640 million, then \$525 million. Last year it was \$341 million, but just funding \$341 million will not solve the problem because every year the schools continue to have roof leaks, difficulties with other damages, and just deterioration, air condition systems, just as people's homes and businesses continually accumulate costs.

"Roughly \$75 million a year is added to the list of repair and maintenance of schools. My hope, or our hope should be that we can get the repair and maintenance of the K-12 schools to a condition – say \$150 million or so – which might be an ongoing basis.

"This bill also addresses the University of Hawaii system and other things. Separate from repair and maintenance, it costs Punahou School \$15,000 a student for tuition, which is in addition to the largess of alumni and other benefactors and million-dollar-plus carnivals. If you're having that kind of cost per student at an institution that takes the best of the brightest and those who don't cut it go into the public schools, those that get into a school such as that and have problems end up in the public schools, those who come from Micronesia end up in public schools, those that have special needs and other difficulties end up in our public schools. One might say, if our public schools had \$15,000 a student and even more, it would still be a struggle.

"There's no question we need more highly qualified teachers, we need better curriculum, we need many things to improve, and I believe we're on our way to do that. We need a better early education system. We need people to help fill the parent gap that schools like Punahou and Iolani enjoy – parents at many, many events and many, many support activities. The public schools lack that, but I believe we need volunteerism from businesses, nonprofits, and people in this room to help fill the parent gap.

"We're on our way there – we won't get there in an hour, we won't get there in a year, but we're improving the system. Thank you very much."

Senator Hemmings rose in rebuttal and said:

"Madam President, I rise to speak in favor of this legislation to rebut the previous comments.

"I truly regret that every time we talk about education we have to bring up this class envy and bash the private schools as a defense for the failures of public schools. We were told just now that it's going to take a couple of months, couple of years to fix the problem. Well, try 40, and it's still a huge problem.

We were just told that we added \$75 million a year to repair and maintenance budgets – not true. I just quoted the numbers we've had in the last five years – over \$1 billion. It comes to \$100 million.

"Yes, in other schools and in our homes we spend money repairing and maintaining our physical facilities – our houses and our schools – in the private sector, and guess what? We get the job done. We do repair and maintain our private sector facilities.

"But getting back to this battle between the public and private schools, I want to remind everybody that if you take the total amount of enrollment and divide it into the number of dollars spent, we spend over \$12,400 per public school child, which may be a good investment, except we're turning out, by measure of standard achievement tests and others, one of the worst products in the nation.

"All I'm saying is we should not be pitting private schools against public schools. And I might add, Madam President, since it was brought up that, yes, Punahou is expensive, and yes, Iolani is expensive, but the average tuition of private education in this state is under \$7,000 per student when you factor in parochial schools and others. I might add that our public school children, in most cases, are just as capable as children in the private sector schools and do well in school. They're being shortchanged, not by the private schools but by the schools that we're paying taxes for.

"So when are we going to move past this archaic and mundane argument regarding public/private school conflict? It should be no conflict. We should afford the people of this state as much choice in the education marketplace as possible, and we more importantly should assure that the huge amount of money they're spending on public education, educates out children and they're in schools that are safe without the roofs falling down on their head. Forty years have been more than enough time to fix the problem. Throwing more money at it will not do it.

"Thank you, Madam President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1008 was adopted and S.B. No. 1932, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1009 (S.B. No. 707, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1009 be adopted and S.B. No. 707, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to speak against the measure and stated:

"Madam President, I rise in favor of the 707, but against S.B. No. 707. (Laughter.)

"The 707, the DC-8 really did help transform our islands. S.B. No. 707 will take us someplace and let us reflect where it will take us and what kind of transfer payment it winds up being. What it does is allows a 100 percent tax credit for people that contribute, invest in a community project. What we are allowing is the recreation of being able to build an aquarium not just in Ko Olina but almost anywhere on this island.

“Who will take advantage of this? Probably it will be the most affluent among our society that has the largest incomes and the largest tax liabilities. Who will wind up paying for this? Because in order to do the work of our government, we will have to rely more heavily on other sources of income because of the tax credits we so generously give out. That will be the middleclass and the lower-middleclass.

“What will happen is that we will have more developments in communities like Portlock and less money flowing to communities like Waianae. Because of this adverse effect of the ability of government to raise money and prioritize the spending of that money because less money will be available through the use of tax credits, I suggest that it is a wrong social policy and that you should vote against this ill-conceived notion.

“Thank you.”

Senator Fukunaga rose to speak in support and said:

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

“I’d like to direct the members’ attention to one of the testimonies that we received during the deliberations on this bill: ‘The tax credit is equal to 39 percent of the qualified equity investment and is claimed over seven years. Corporations, nonprofit organizations, can create community development entities and apply for the federal new market tax credit which the state credit seeks to piggyback off of and to bring more capital allocated on the federal level to Hawaii. The credit was originally passed by Congress in 2000 as part of the Community Renewal Tax Relief Act. Hawaii currently conforms to the federal low-income housing tax credit, and conforming to the federal tax credits in this area is something that we believe will bring more capital to Hawaii to stimulate and help finance community development projects in low-income areas.’

“Thank you very much.”

Senator Taniguchi rose and said:

“Madam President, would you note my support with reservations?”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1009 was adopted and S.B. No. 707, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO A NEW MARKETS TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 1 (Taniguchi). Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1010 (S.B. No. 1365, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1010 was adopted and S.B. No. 1365, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE INNOVATION ECONOMY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1011 (S.B. No. 644, S.D. 3):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1011 was adopted and S.B. No. 644, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO ENERGY RESOURCES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Whalen). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1014 (S.B. No. 798, S.D. 3):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1014 was adopted and S.B. No. 798, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO DISASTER RELIEF,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1015 (S.B. No. 1285, S.D. 1):

Senator Baker moved that Stand. Com. Rep. No. 1015 be adopted and S.B. No. 1285, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose to oppose the measure as follows:

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

“At first blush, we said, ‘Hooray! It’s a tax decrease; we’re going to exempt the general excise tax selectively.’ But then in reading the bill further, we find that there’s going to be a one penny per gallon addition. And the numbers that were presented in testimony were – tax loss from the GET exemption, \$100,000; tax gained to the highway fund, \$9.2 million. So, it is actually a tax increase. It’s a negative impact for consumers. For those that were seeking relief, particularly after the exemption for ethanol ran out December 31<sup>st</sup> and there were a lot of crocodile tears and consumers were not getting any relief at all, they’re going to get higher taxes.

“The intent of the bill supposedly is to boost up the highway fund because the highway fund and the Department of Transportation are involved in more projects. The truth of the matter is, the highway fund would not be low right now if it had not been raided for about \$144 million over the last 10 years.

“So, this is a bill that is definitely and specifically and very clearly a tax increase.”

Senator Baker rose to support the measure and stated:

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

“Considering that when the GET went back on, gasoline prices raised by 11 cents, 13 cents on my island because gas is more expensive over there, we’re taking that off – that 11 cents, that 13 cents – and putting on a modest 1 penny that doesn’t go into the general fund; it goes into the highway fund so that the projects that many of us in all of our districts want, can be taken care of.

“It is an important measure. It is relief for the taxpayers, and I urge my colleagues to vote up.”

Senator Menor rose in favor with reservations and said:

“Madam President, I rise to speak in favor of this bill, but with some reservations.

"I agree with the Ways and Means Chair that this bill is not a tax increase bill but in fact will result in significant tax savings to the gasoline industry to the extent that the 1 cent per gallon fuel tax increase will be more than offset by the tax savings to be realized when the excise tax exemption is continued. I also think that this bill is well-intentioned to the extent that its purpose is to continue the exemption on the excise taxes paid by gasoline industry entities in hopes that it will lead to lower gas prices for consumers.

"The concern I have with this measure, however, is that it doesn't provide any guarantee that the tax savings that will be realized by the oil industry will be passed on to consumers in the form of lower pump prices. In fact, last year, when the excise tax exemption took effect, there were several months when pump prices did not fall notwithstanding the fact that the oil companies received considerable tax savings from the exemption from the excise taxes. In this regard, my concern is I think that the continuation of the excise tax exemption may represent a windfall to the oil companies. It's my understanding that the continuation of the exemption could lead to a revenue reduction of over \$30 million per year annually, which would mean the possibility that the oil companies could be reaping a \$30 million per year windfall at a time when they are earning massive profits and need no further windfalls.

"However, having said that, I think that this vehicle should be kept alive for further discussion and as a means by which we can provide meaningful relief to consumers. And in that regard, I think that one approach that might be better than exempting the gasoline sales from the excise tax could be to provide a refundable tax credit to consumers reflecting the portion of gas prices that can be attributed to the excise tax.

"So I would respectfully request the money committees in both the House and Senate to consider this sort of an approach, and accordingly, I'll vote in favor of this bill, but with those reservations.

"Thank you."

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1015 was adopted and S.B. No. 1285, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 2 (Kim, Menor). Noes, 2 (Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1016 (S.B. No. 1229, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1016 was adopted and S.B. No. 1229, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCRAP DEALERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1018 (S.B. No. 988, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1018 was adopted and S.B. No. 988, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PHOTOVOLTAIC ENERGY," having been read

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

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

Stand. Com. Rep. No. 1020 (S.B. No. 1101, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1020 be adopted and S.B. No. 1101, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and said:

"Madam President, because of the creation of yet another special fund, I'll be voting 'no' on this bill. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1020 was adopted and S.B. No. 1101, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1024 (S.B. No. 1780, S.D. 2):

On motion by Senator Hee, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 1024 was adopted and S.B. No. 1780, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1025 (S.B. No. 1612, S.D. 2):

On motion by Senator Baker, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1025 was adopted and S.B. No. 1612, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1027 (S.B. No. 796, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1027 be adopted and S.B. No. 796, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Trimble rose to oppose the measure as follows:

"Madam President, I rise in opposition to Section 14 of this bill.

"Most of the bill is pretty good – pretty wonderful. The problem is when you get to Section 14, it designates, without a review of equally qualified firms, it designates one firm shall be in charge with disseminating information. I don't think that we should have a system where we identify individual companies or individual firms that we direct money to in light of our existing procurement code.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1027 was adopted and S.B. No. 796, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE,"

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

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1029 (S.B. No. 1438, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1029 be adopted and S.B. No. 1438, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose with reservations and said:

“Madam President, I rise . . . with reservations on this bill.

“I find this very curious. We’re going to create a commission to plan for the 50<sup>th</sup> anniversary of Hawaiian statehood. We haven’t celebrated Hawaiian statehood officially in this state for 10 years now. In fact, we had a lot of anti-statehood sentiment last year. It doesn’t say what we’re going to do in the next two years, but we’re going to have a commission of 25 people selected by the Senate, the House, the Governor. We’re going to have diversity, we’re going to have everything here, and yet we really don’t have a single purpose.

“I think we would probably be better served if we had a voluntary citizens’ committee plan and execute this event, not use any state resources or taxpayer money, but people that really believed in statehood and the pride in being an American.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1029 was adopted and S.B. No. 1438, S.D. 2, entitled: “A BILL FOR AN ACT ESTABLISHING A COMMISSION TO PLAN FOR THE FIFTIETH ANNIVERSARY OF HAWAII STATEHOOD,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Slom). Noes, none. Excused, 1 (Bunda).

At 4:05 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:09 o’clock p.m.

#### ADJOURNMENT

At 4:09 o’clock p.m., on motion by Senator Ige, seconded by Senator Whalen and carried, the Senate adjourned until 11:00 o’clock a.m., Thursday, March 8, 2007.

ATTACHMENT "A"**News Release****For Immediate Release**

February 16, 2007

**Contact:** Kristin Lawton, 202.408.9788  
Beadsie Woo, 818.550- 2661**Hawaii Legislature Takes Coordinated Steps to Reduce Poverty**  
*Asset-Building Bill Lauded as a Model for All States*

**Washington, D.C.**—The Corporation for Enterprise Development (CFED), a national organization dedicated to expanding economic opportunity, today applauded the Hawaii State Legislature for taking steps to reduce poverty in the state and urges other states to take notice. On January 24, 2007, 14 members of the Hawaii State Senate introduced S.B. 1919 that provides a comprehensive set of policies and programs that will help Hawaii's low- and moderate- income families build productive assets such as savings, home ownership, business ownership and post secondary education.

While there has been much discussion over the growing difference in incomes in America, the difference is much larger when measured by asset ownership. In Hawaii, for example, one in five families have zero or negative net financial worth; and one in four Hawaiian households is asset poor—households that, in absence of income, lack enough assets to live at the federal poverty level for more than three months if their income were disrupted.

Senator Suzanne Chun Oakland, along with Senator Gary L. Hooser, pushed to make this bill a priority by including it in the senate majority package. S.B. 1919 emphasizes the importance of assets in helping Hawaii's families get ahead. Its authors recognize the complementary role that assets play to income-based policies in moving families out of paycheck-to-paycheck living. Because income alone cannot insulate a family from job loss, expenses from natural or health disasters, assets are vital to economic security.

"CFED promotes policies that expand economic opportunity for all Americans and this legislation does just that in Hawaii," said CFED President Andrea Levere. "Together, these four policies listed below would provide working families in Hawaii with the tools and opportunities to get ahead, not just get by." The legislation provides a range of good ideas that have been proven to help and should be a model for what other states can do. The ambitious set of asset-building policy components in the bill would:

- Maintain and utilize the self-sufficiency standard as a benchmark**  
The family self-sufficiency standard—the actual amount needed to afford basic needs—will be based on the budget of a modern Hawaiian household, taking into account the cost of food, housing, child care, health care, utilities, transportation, and taxes. This standard will be used to determine eligibility for public assistance. Currently, eligibility is based on the federal poverty guidelines (\$23,750 for a family of four in Hawaii), however, working families with incomes above this often struggle to make ends meet and cannot afford to replace the lost public services.
- Establish a refundable state EITC**  
The federal earned income tax credit (EITC) is the largest anti-poverty program in the U.S., dispersing over \$40 billion to 22 million low-income workers in 2006. The EITC encourages workforce participation and creates opportunities for asset building. State EITCs are usually expressed as a percentage of the federal credit, and S.B. 1919's 20% credit is more generous than many other states'.
- Maximize financial education opportunities to TANF eligible individuals**  
Recipients of Temporary Assistance for Needy Families (TANF)—commonly known as welfare payments—would complete financial education courses, empowering them with the information

and skills to manage their personal finances. Learning about budgeting, saving for larger purchases and emergencies, understanding bank fees and managing credit are some of the important topics covered.

□ **Expand Individual development accounts (IDAs)**

IDAs are matched savings accounts that enable low-income individuals to put a down payment on a first home, start a business, pay for education or training, or buy a car. Across the country, 540 non-profit organizations partner with financial institutions to provide these matched savings accounts to 30,000 savers. Senate Bill 1919 allows the use of federal funds for matching the deposits of savers and administering IDAs.

# # #

**CFED** expands economic opportunity by helping Americans start and grow businesses, go to college, own a home, and save for their children's and own economic futures. We identify promising ideas, test and refine them in communities to find out what works, craft policies and products to help good ideas reach scale, and develop partnerships to promote lasting change. We bring together community practice, public policy and private markets in new and effective ways to achieve greater economic impact.

Established in 1979 as the Corporation for Enterprise Development, CFED works nationally and internationally through its offices in Washington, DC; Durham, North Carolina; and San Francisco, California.

For more information, visit [www.cfed.org](http://www.cfed.org).



ATTACHMENT "B"

## 2007 Legislative Talking Points

## ASSET AGENDA

**State Earned Income Tax Credit****THE PROBLEMS**

Too many families in Hawai'i struggle to make ends meet. These families are overtaxed and they have few opportunities to build assets and work their way to self-sufficiency.

1. **Too many cannot make ends meet** – The self-sufficiency standard (a.k.a. “living wage”) for a one-parent, one-child family in Hawai'i is approximately \$36,000. Over 80,000 families in Hawai'i earn less than \$35,000 per year, including 21% of all two-parent families and 52% of all families headed by single mothers.<sup>1</sup>
2. **Overtaxing the poor** – Hawai'i's poorest taxpayers pay 10% of their incomes in general excise tax (GET) while the richest pay only 2%.<sup>2</sup> Hawai'i is also among the worst states for income taxes on poor families—a single mother of two, who earns \$10,000 and is dependent on state subsidies, is currently required to pay state income tax.<sup>3</sup>
3. **No opportunities to build financial assets** – Mid- and high-income Americans can access numerous tax incentives and subsidies to build wealth—deductible mortgage interest, 401ks, and 529 plans for education are a few examples. By contrast, taxes and other public policies aimed at people with less than self-sufficient wages often create financial disincentives to earn and save more. In many cases, benefits are reduced and tax burdens increased when a person builds assets. These disincentives keep families and future generations trapped in a state of poverty.

**THE SOLUTION**

A refundable state Earned Income Tax Credit (EITC) will support those working families in Hawai'i who are having the hardest time making ends meet. A refundable state EITC would provide tax reductions and wage supplements for low-income working families to address three important goals:

1. **Tax relief for those who need it most** – Providing cost-effective, well targeted tax relief for the many working families in Hawai'i who do not make enough to be self-sufficient.
2. **Making work pay** – Supplementing incomes earned by hard working people and creating a financial incentive to continue choosing work over welfare. A state EITC is necessary to help people and their children escape poverty.
3. **A chance to build assets** – State EITC refunds can be used to pay off high interest debt, begin a savings account, invest in education, start a business, and more. It would be one of the few opportunities for low-income households to start building assets.

<sup>1</sup> US Census, 2000.

<sup>2</sup> Institute on Taxation and Economic Policy, *Hawai'i Taxes Hit Poor & Middle Class Far Harder than the Wealthy*, January 7, 2003.

<sup>3</sup> Center on Budget Policy and Priorities, <http://www.cbpp.org/2-22-06sfp.pdf>, 2006.

**HOW IT WORKS**

- ▶ **For working people with low incomes** – A Hawai'i EITC would apply to those taxpayers who qualify for the federal EITC because of their very low incomes.
- ▶ **Specifically aimed at families** – Low-income taxpayers with no children may claim the federal EITC (and therefore the proposed state EITC), but the credit is much larger for taxpayers with children.
- ▶ **How much is the credit (Part 1)?** – The amount of credit depends on how much income you have and how many children you have. So for example using IRS criteria for Tax Year 2006:

Family Type	Max Income to be Eligible	Max Federal Credit	Max State Credit if 20%
Single w/ 1 child	\$32,001	\$2,747	\$549
Married w/ 1 child	\$34,001	\$2,747	\$549
Single w/ 2 or more children	\$36,348	\$4,536	\$907
Married w/ 2 or more children	\$38,348	\$4,536	\$907
Single w/ no children	\$12,120	\$412	\$82
Married w/ no children	\$14,120	\$412	\$82

- ▶ **How much is the credit (Part 2)?** – The amount of credit one gets rises as one earns more income until it reaches the maximum amount. It remains at the maximum amount for certain low-income earners and is phased out until one is no longer eligible because income is too high. This unique structure is designed to create work incentives for people at the lowest income levels to allow them to choose work over welfare.
- ▶ **Simply piggybacks on the federal EITC** – Calculating the state EITC is simple. A taxpayer takes a set percentage (say 20%) of whatever was claimed for the federal EITC.  
 For example, if the federal EITC for a family were \$2,500, the state EITC would be \$500. (2500 x 20% = 500)
- ▶ **Refundable** – Like the federal EITC, the state EITC would be refundable. That means that if the credit exceeds state income tax liability, the state sends that person the remaining amount.  
 For example, if a low-income earner owes \$100 in taxes and has a state EITC of \$500, that person will receive \$400 back from the state.
- ▶ **Total Cost** – It is estimated that the total cost of a 20% refundable state EITC would cost about \$26 million in foregone revenues.<sup>4</sup> Federal Temporary Aid to Needy Families (TANF) funds may be used to pay for the refundable portion of a state EITC. Compared to the cost of other measures to provide targeted tax relief, a state EITC is the most cost-effective means of helping those who need the most help.

**OTHER POINTS**

- ▶ The federal EITC is **well established, proven, and resilient**. The federal EITC was originally enacted in 1975 under President Ford to compensate for the heavy burden of payroll taxes on low-income earners. It has since been expanded three times by

<sup>4</sup> Center on Budget and Policy Priorities, <http://www.cbpp.org/2-1-06eic.htm>, 2006.

Republican and Democratic presidents to provide additional supports to low-income families and to encourage work over welfare.<sup>5</sup>

- ▶ State EITCs are being **established across the country**. Today, 20 states and the District of Columbia have enacted state EITCs to supplement the goals of the federal EITC and to compensate for the disproportionate burden of state and local taxes on low-income earners. These states are Colorado, Delaware, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, New York, Oklahoma, Oregon, Rhode Island, Vermont, Virginia, and Wisconsin.
- ▶ EITCs have **wide, bipartisan support**. Republicans and Democrats have worked together on federal, state and county levels to enact and expand EITC laws.<sup>6</sup> So-called “red states” such as Oklahoma and Indiana have them as well as “blue states” like Illinois and New York.
- ▶ A state EITC would **help compensate for the regressive GE tax**. In Hawai‘i, the poorest taxpayers pay 10% of their income in excise taxes, while the richest pay only 2%.
- ▶ A state EITC will give a needed boost to our **children living in poverty**. The federal EITC lifts more children out of poverty than any other government program; if supplemented with a Hawai‘i state EITC, we can better address child poverty in Hawai‘i.<sup>7</sup>
- ▶ People who are eligible **utilize the EITC**. In the U.S., about 85% of eligible people claimed the Federal EITC, compared to 67% for Food Stamps and 52% for TANF.<sup>8</sup> In Hawai‘i, over 88,000 of the neediest households claim the federal EITC according to the IRS.
- ▶ EITCs are **successful work incentives**. More than 60% of the increase in the employment of single mothers has been due to expansions in the federal EITC. An additional state EITC will supplement that positive trend.<sup>9</sup>
- ▶ A state EITC in Hawai‘i can enhance efforts to **help families build assets**. Research indicates that state EITC refunds can be used to promote asset building in low-income families. One study found that 33% of the 650 EITC recipients examined planned to save a portion of their tax refunds. Another study found that half of EITC recipients use their refunds to make critical investments such as paying off high-interest debt, upgrading housing, or paying for education. This suggests that tax refunds might be effectively linked to a variety of asset-building initiatives.<sup>10</sup>
- ▶ A state EITC in Hawai‘i would be **easy to administer**. The state EITC would be for those state taxpayers who have applied for the federal EITC. Calculating a state EITC is simply multiplying the federal amount by a set percentage. State taxpayer education, anti-error and anti-fraud efforts can benefit from federal efforts. Fears of high EITC error rates can be assuaged by the following: 1) the IRS has initiated a five-point initiative to improve EITC administration, 2) the IRS has a disproportionately large compliance and auditing budget focused on the EITC, 3) EITC errors amount to 0.5% of federal revenues and only 2.8% of the \$232 billion total amount of uncollected federal taxes.<sup>11</sup>
- ▶ EITC refunds are **recycled in the economy and can help low-income communities**. Many people who receive EITC refunds put them back into the economy by spending on day-to-day survival needs. A 20% state EITC would add over \$25,000,000 to the

<sup>5</sup> Urban Institute, *The Future of the Earned Income Tax Credit*, June 19, 1995.

<sup>6</sup> StateAction.org, *Earned Income Tax Credit*, 2003.

<sup>7</sup> Center on Budget and Policy Priorities.

<sup>8</sup> Tax Policy Center, *EITC Reaches More Eligible Families than TANF, Food Stamps*, March 17, 2003

<sup>9</sup> Center for Policy Alternatives, *Rewarding Work: State EITCs for Working Families*, October 2000.

<sup>10</sup> Center on Budget and Policy Priorities.

<sup>11</sup> Tax Policy Center, *Statement of Leonard E. Burman before the United States House of Representatives Committee on the Budget; On Waste, Fraud, and Abuse In Federal Mandatory Programs*, July 9, 2003.

\$133,000,000 in federal credits invested into communities throughout Hawai'i.<sup>12</sup> Viewed as an infusion of tax dollars into geographic communities we can see where a state EITC might go based on 2002 IRS data:

*EITC statistics by county*

County	Total IRS returns	Elected EITC	% with EITC	Fed EITC \$	Avg. EITC	\$ from 20% State EITC
Hawai'i	66,701	11,909	17.9%	\$18,667,252	\$1,567	\$3,733,450
Honolulu	415,099	55,769	13.4%	\$86,925,807	\$1,559	\$17,385,161
Kaua'i	27,341	4,201	15.4%	\$6,386,351	\$1,520	\$1,277,270
Maui	62,730	9,347	14.9%	\$13,535,369	\$1,448	\$2,707,074

*Top ten Hawai'i zip codes for total federal EITC dollars*

Zip Code	Location	Federal EITC \$	\$ from 20% State EITC
96797	Waipahu	\$8,293,075	\$1,658,615
96792	Wai'anae	\$7,996,467	\$1,599,293
96819	Honolulu	\$7,583,395	\$1,516,679
96786	Wahiawa	\$7,230,561	\$1,446,112
96817	Honolulu	\$6,929,785	\$1,385,957
96818	Honolulu	\$5,664,410	\$1,132,882
96720	Hilo	\$5,187,741	\$1,037,548
96706	'Ewa Beach	\$4,720,132	\$944,026
96744	Kane'ohe	\$3,980,969	\$796,194
96734	Kailua	\$3,168,583	\$633,717

*Top ten Hawai'i zip codes for %age of taxpayers who file for federal EITC*

Zip Code	Location	% EITC Filers	\$ from 20% State EITC
96770	Maunaloa	31.6%	\$21,191
96769	Makaweli	30.2%	\$25,748
96729	Ho'olehua	29.7%	\$36,137
96726	Honaunau	28.3%	\$56,386
96792	Wai'anae	27.8%	\$1,599,293
96786	Wahiawa	27.8%	\$1,446,112
96778	Pahoa	27.4%	\$319,288
96772	Na'alehu	27.2%	\$79,324
96760	Kurtistown	25.6%	\$99,733
96748	Kaunakakai	25.5%	\$148,901

<sup>12</sup> Internal Revenue Service.

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**ASSET BUILDING OVERVIEW**

A refundable state EITC is part of a **comprehensive public policy to help Hawai'i's people build assets**. This policy package should include a package of programs, tax incentives, regulatory changes, and other mechanisms to help people earn more, save more, protect hard earned assets, start businesses and become homeowners.

- ▶ **One in five** households in Hawai'i have zero or negative net worth, the 6<sup>th</sup> worst ranking among the states.
- ▶ **One in four** households do not have enough assets to subsist at the poverty level for three months if their income were disrupted.
- ▶ 69% of jobs in Hawai'i **do not pay a living wage** making it difficult for many families to make ends meet, let alone pay off debt, build savings accounts, start businesses, or buy homes.
- ▶ Assets are essential for three reasons.
  1. To have **financial security**—confidence to face job loss, medical emergencies, natural disasters and other misfortunes
  2. To create **economic opportunities** for oneself—the quintessential element of the American Dream
  3. To **leave a legacy** for future generations—the obligation of Hawai'i's ancestors and its current people.
- ▶ The wealthy benefit the most from existing asset-building policies—deductions for mortgage interest and property taxes, tax deferred retirement and education savings, lower taxes on long-term capital gains, etc. The state of Hawai'i can **level the playing field** by creating more asset-building opportunities for low- and middle-income households.
- ▶ Asset-building is **a critical economic development tool** to build the human capital needed to fuel the modern economy—also known as the “knowledge economy,” “new economy,” or the “innovation, science, and technology economy”

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## How to Really Help Low-Wage Workers

By Thomas Z. Freedman

If the House and Senate are able to agree on a minimum-wage hike and the president signs the bill, some may say we will have done enough to help low-income workers. It's true that low-wage workers urgently need a raise, that millions of Americans work full time and still live below the poverty line. But while an increase in the minimum wage is better than nothing, alone it is an incomplete instrument for really making work pay.

We should raise the minimum wage while committing our country to a bigger bargain: If you work full time, then you and your family will live above the poverty line. This goal is not only morally right but one our country can afford.

Published statistics for 2004, the most recent year with solid available data, show that about 3.5 million full-time workers earned less than poverty-level wages. Factoring in government benefits, about 2.6 percent of full-time workers live below the poverty line. That is about 2.7 million Americans. And these struggling workers frequently support families, meaning millions more depend on them.

On its own, the minimum wage is an imperfect means for ensuring no full-time worker is poor. First, it almost certainly will not be raised enough. Even the plan to raise it to \$7.25 an hour has been a political struggle, with success now likely but not guaranteed. It would take a wage of \$10 an hour for a worker to earn \$20,000 a year, about the poverty threshold for a family of four. Second, there are reasonable arguments that a \$10 minimum wage would harm many small businesses. Finally, increases in the minimum wage are not indexed for inflation -- and may never be. The last increase was 10 years ago, and some full-time workers have fallen further below the poverty line since then. Even with a new raise, workers will once again slip into poverty if a decade or more goes by between increases.

A better approach would be to increase the wage and simultaneously expand the earned-income tax credit (EITC). This program, signed into law by President Gerald Ford and greatly expanded and popularized by President Bill Clinton, is designed specifically to reward work. It is one of the country's most successful anti-poverty programs.

The EITC program, however, has substantial shortcomings. It does not cover childless workers younger than 25, and the credit does not help meet the costs of raising additional children after a family's second child. Further, many people who are eligible don't apply for the credit. These holes have significant consequences.

How many reforms are enacted would affect the cost of the credit. Increasing the EITC for families with three or more children -- more than half of all poor children live in such families -- would help an estimated 3 million families and cost about \$3 billion. Crucial actions such as improved outreach or removing a built-in marriage penalty could each be done for about \$1 billion; more complete reforms that would also help those living barely above the poverty line could cost 10 times that or more. But this is the best time in a decade to make this bargain with low-wage workers. An increased minimum wage will help millions of poor people; combining it with a new commitment to the earned-income tax credit could take them the rest of the way out of poverty.

Arguably, supporting those who are working hard and playing by the rules is as important a societal good as tax breaks for companies or even encouraging home ownership. The question ultimately is about our nation's priorities. The federal budget is more than \$2 trillion, and Congress's pork-barrel projects have been estimated at \$47 billion. Home mortgage deductions -- a benefit for mostly middle-class Americans --

average about \$9,500 a year per homeowner. By comparison, the cap on EITC payments last year was \$4,400. The average EITC benefit in 2005 was only \$1,872.

The issue of whether to make such a policy change is timely with a presidential contest looming. It's not unreasonable to hope that some candidate will want the world's richest country to make a new bargain with its poorest workers. We need to raise the minimum wage. But we should also make a larger commitment. If you work hard year-round, we will make sure you are not living below the official poverty line. You may not be rich, but you'll know that in America work pays.

*The writer was a senior adviser to President Bill Clinton and is a visiting fellow at the Progressive Policy Institute.*