

FORTY-SIXTH DAY

Tuesday, April 14, 2009

The Senate of the Twenty-Fifth Legislature of the State of Hawai'i, Regular Session of 2009, convened at 9:37 a.m. with the President in the Chair.

The Divine Blessing was invoked by the Honorable Norman Sakamoto, Hawai'i State Senate, after which the Roll was called showing all Senators present.

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

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 602 to 607) were read by the Clerk and were placed on file:

Gov. Msg. No. 602, dated April 7, 2009, transmitting a Report on Adequacy of Services for Veterans, prepared by the Department of Defense, Office of Veterans Services, pursuant to Act 213, SLH 2007.

Gov. Msg. No. 603, informing the Senate that on April 9, 2009, the Governor signed into law House Bill No. 442 as Act 3, entitled: "RELATING TO THE LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD."

Gov. Msg. No. 604, informing the Senate that on April 9, 2009, the Governor withdrew the nomination of MARILYN L. MCINTOSH to the Hawai'i Advisory Commission on Drug Abuse and Controlled Substances, under Gov. Msg. No. 505, dated March 19, 2009.

In compliance with Gov. Msg. No. 604, the nomination listed under Gov. Msg. No. 505 was returned.

Gov. Msg. No. 605, dated March 26, 2009, transmitting the 2008 Annual Report of the State of Hawaii Community-Based Economic Development Technical and Financial Assistance Program, prepared by the Department of Business, Economic Development, and Tourism.

Gov. Msg. No. 606, dated April 7, 2009, transmitting the Aloha Tower Development Corporation Annual Report 2008 pursuant to Chapter 206J, HRS.

Gov. Msg. No. 607, informing the Senate that on April 13, 2009, the Governor withdrew the nomination of CASIMIRA FERREIRA to the Hawai'i Commission for National and Community Service, under Gov. Msg. No. 553, dated April 1, 2009.

In compliance with Gov. Msg. No. 607, the nomination listed under Gov. Msg. No. 553 was returned.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 402 to 418) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 402, returning S.B. No. 35, S.D. 1, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 35, S.D. 1 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO MORTGAGES," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 403, returning S.B. No. 55, S.D. 1, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 55, S.D. 1 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 404, returning S.B. No. 281, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 281 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 405, returning S.B. No. 382, S.D. 1, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 382, S.D. 1 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO THE STADIUM AUTHORITY," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 406, returning S.B. No. 426, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 426 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO DENTISTRY," was deferred until the end of the calendar.

Hse. Com. No. 407, returning S.B. No. 532, S.D. 1, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 532, S.D. 1 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO LIMITING CIVIL LIABILITY," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 408, returning S.B. No. 711, S.D. 1, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 711, S.D. 1 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 409, returning S.B. No. 932, S.D. 2, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 932, S.D. 2 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO INFECTIOUS DISEASE TESTING," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 410, returning S.B. No. 933, S.D. 2, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 933, S.D. 2 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY LICENSURE OF DENTISTS," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 411, returning S.B. No. 1066, S.D. 2, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 1066, S.D. 2 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 412, returning S.B. No. 1073, S.D. 1, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 1073, S.D. 1 (H.D. 2), entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 413, returning S.B. No. 1222, S.D. 1, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, action on S.B. No. 1222, S.D. 1 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO THE HUMANE TREATMENT OF PET ANIMALS," was deferred until Thursday, April 16, 2009.

Hse. Com. No. 414, returning S.B. No. 438, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

Hse. Com. No. 415, returning S.B. No. 856, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

Hse. Com. No. 416, transmitting H.C.R. No. 150, which was adopted by the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, H.C.R. No. 150, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO ADOPT THE UNITED NATIONS DECLARATION ON THE RIGHTS OF INDIGENOUS PEOPLES," was referred to the Committee on Transportation, International and Intergovernmental Affairs.

Hse. Com. No. 417, transmitting H.C.R. No. 246, H.D. 1, which was adopted by the House of Representatives on April 9, 2009, was placed on file.

By unanimous consent, H.C.R. No. 246, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO ESTABLISH A TASK FORCE TO DEVELOP A POLICY AGAINST TEEN DATING VIOLENCE AND ABUSE," was referred to the Committee on Human Services and the Committee on Education and Housing.

Hse. Com. No. 418, informing the Senate that on April 9, 2009, the House disagreed to the amendments proposed by the Senate to the following House bills:

H.B. No. 593, H.D. 2, (S.D. 1);
H.B. No. 1141, H.D. 1, (S.D. 1); and
H.B. No. 1436, H.D. 1, (S.D. 1),

was placed on file.

STANDING COMMITTEE REPORTS

Senator Ige, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1346) recommending that the Senate advise and consent to the nominations to the Disability and Communication Access Board of the following:

PETER L. FRITZ, in accordance with Gov. Msg. No. 323;
MALCOLM "MARK" M. GIBLIN, in accordance with Gov. Msg. No. 324;
LUCY MILLER PHD, in accordance with Gov. Msg. No. 330; and
GLENN M. MORGAN, in accordance with Gov. Msg. No. 333.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1346 and Gov. Msg. Nos. 323, 324, 330 and 333 was deferred until Thursday, April 16, 2009.

Senator Ige, for the Committee on Health, presented a report (Stand. Com. Rep. No. 1347) recommending that S.R. No. 33, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1347 and S.R. No. 33, S.D. 1, entitled: "SENATE RESOLUTION URGING THE DEPARTMENT OF HEALTH TO MAKE IT A PRIORITY TO EDUCATE THE PUBLIC ON THE PROPER CLEANING OF PRODUCE," was deferred until Thursday, April 16, 2009.

Senators Chun Oakland and Takamine, for the Committee on Human Services and the Committee on Labor, presented a joint report of the majority of the Committees (Stand. Com. Rep. No. 1348) recommending that S.C.R. No. 32, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1348 and S.C.R. No. 32, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION ENCOURAGING STAKEHOLDERS AND INTERESTED PARTIES TO WORK TOGETHER TO ESTABLISH PAID FAMILY LEAVE OR SIMILAR WAGE REPLACEMENT PROGRAMS TO ASSIST FAMILY CAREGIVERS," was deferred until Thursday, April 16, 2009.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 1349) recommending that S.C.R. No. 165, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1349 and S.C.R. No. 165, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO ESTABLISH A TASK FORCE ON HUMANE RESTRAINT AND CONFINEMENT OF PET ANIMALS," was deferred until Thursday, April 16, 2009.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 1350) recommending that S.R. No. 114, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1350 and S.R. No. 114, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE GOVERNOR TO ESTABLISH A TASK FORCE ON HUMANE RESTRAINT AND CONFINEMENT OF PET ANIMALS," was deferred until Thursday, April 16, 2009.

Senator Gabbard, for the Committee on Energy and Environment, presented a report (Stand. Com. Rep. No. 1351) recommending that S.C.R. No. 171, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1351 and S.C.R. No. 171, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE STATE OF HAWAII TO RECOGNIZE THE THIRD SATURDAY OF EVERY APRIL AS "HAWAIIAN MONK SEAL DAY" AND TO COORDINATE THE IMPLEMENTATION OF THE RECOVERY PLAN FOR THE HAWAIIAN MONK SEAL WITH THE FEDERAL AND COUNTY GOVERNMENTS," was deferred until Thursday, April 16, 2009.

Senator Gabbard, for the Committee on Energy and Environment, presented a report (Stand. Com. Rep. No. 1352) recommending that S.R. No. 117, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1352 and S.R. No. 117, S.D. 1, entitled: "SENATE RESOLUTION URGING THE STATE OF HAWAII TO RECOGNIZE THE THIRD SATURDAY OF EVERY APRIL AS "HAWAIIAN MONK SEAL DAY" AND TO COORDINATE THE IMPLEMENTATION OF THE RECOVERY PLAN FOR THE HAWAIIAN MONK SEAL WITH THE FEDERAL AND COUNTY GOVERNMENTS," was deferred until Thursday, April 16, 2009.

ORDER OF THE DAY

AGREE/DISAGREE

MATTERS DEFERRED FROM THURSDAY, APRIL 9, 2009

S.B. No. 113 (H.D.1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 113, and requested a conference on the subject matter thereof.

FINAL ADOPTION

S.C.R. No. 47, S.D. 1, H.D. 1:

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 47, S.D. 1, and S.C.R. No. 47, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION PROCLAIMING 2009 AS THE YEAR OF THE NONCOMMISSIONED OFFICER CORPS OF THE UNITED STATES ARMY," was Finally Adopted.

FINAL READING

S.B. No. 886, S.D. 1, H.D. 1:

On motion by Senator Baker, seconded by Senator Ige and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 886, S.D. 1, and S.B. No. 886, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1055, H.D. 1:

On motion by Senator English, seconded by Senator Gabbard and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 1055, and S.B. No. 1055, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

THIRD READING

MATTER DEFERRED FROM THURSDAY, APRIL 9, 2009

H.B. No. 1663, H.D. 1, S.D. 1:

Senator Gabbard moved that H.B. No. 1663, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator English.

Senator Tokuda then offered the following amendment (Floor Amendment No. 4) to H.B. No. 1663, H.D. 1, S.D. 1:

SECTION 1. House Bill No. 1663, H.D. 1, S.D. 1, is amended by deleting the contents of section 1 its entirety and replacing it with the contents of an earlier version of the measure, House Bill No. 1663, H.D. 1, as amended, to read as follows:

"SECTION 1. Kalo, the Hawaiian word for taro (*Colocasia esculenta*), is a culturally significant plant to the kanaka maoli (Hawaii's indigenous peoples) and the State of Hawaii. Kalo intrinsically embodies the interdependency of the past, the present, and the future, the essence of procreation and regeneration, as the foundation of any sustainable practice. Kalo expresses the spiritual and physical well-being of not only the kanaka maoli and their heritage, but also symbolizes the environmental, social, and cultural values important to the State. This relationship is represented in the use of the kalo plant on the crown of King Kalakaua. The state seal, adopted in 1959, includes eight taro leaves below the shield, honoring the connection between the health of the land and the health of the state. Today, the logo of the office of Hawaiian affairs and many commercial enterprises throughout the state use this symbol to communicate ohana, integrity, and a connection to Hawaiian culture. The State of Hawaii further recognized the cultural and historic significance of taro by designating it as the official state plant.

Over three hundred kalo varieties may have existed at the time of the arrival of European explorers (Pukui and Elbert, *Hawaiian Dictionary*, 1986). Of these, sixty-nine varieties are unique to the Hawaiian islands due to the horticultural skills of native Hawaiian farmers (according to *Bulletin 84: Taro Varieties in Hawaii*, 1939). Some varieties are extremely rare. Protecting and maintaining the genetic identity of these varieties is critically important to the recovery of old taro varieties in Hawaii.

Kalo is an important food crop in Hawaii and a complex carbohydrate the hypo-allergenic properties of which are life-saving for those with digestive disorders and allergies, including young children and the elderly. The health implications of non-taro genes in genetically engineered kalo have never been tested, nor have they been approved for human consumption.

Historically, there were thousands of acres under taro cultivation in Hawaii. Today, however, there remain less than five hundred acres of taro in production. In 2007, the most recent year for the National Agricultural Statistics Service market values, 4,000,000 pounds were produced on three hundred eighty acres of commercial taro land (10,526 pounds per acre) at a farm gate value of \$2,360,000, amounting to an estimated per acre value of \$6,210, excluding luau leaf. Raw taro and value-added taro products represent a multi-million dollar crop in Hawaii with great potential for further growth as the State moves towards food security and self-sufficiency. Control of the single worst taro pest, the apple snail (*Pomacea canaliculata*), will increase taro production on existing acreage by as much as twenty-five per cent (Levin 2006). Cold water and adjusting growing regimes will further reduce taro disease. Neither of these issues requires a genetically engineered taro solution. Most locally-grown taro is consumed within the State, indicating a highly specialized market. Millers and consumers have specifically and consistently rejected the use of genetically modified taro or poi.

The 2008 legislature established the two-year taro security and purity task force under Act 211, Session Laws of Hawaii 2008, to address non-genetically modified organism alternatives to taro farmer issues, including land and water concerns, threats from pests, diseases and taro imports, educational opportunities, and economic issues. In November of 2008, the county of Hawaii passed Bill No. 361 banning the testing, propagating, cultivating, raising, planting, growing, introduction, or release of genetically modified taro on that island.

The purpose of this Act is to further protect:

- (1) The cultural integrity of kalo as part of the heritage of the Hawaiian people and the State;
- (2) The genetic biodiversity and integrity of Hawaiian taro varieties in the State as part of the sacred trust between the State and the indigenous peoples of Hawaii; and

(3) Hawaii taro farmers' raw taro, poi, luau, and value-added markets, by establishing a ban on developing, testing, propagating, releasing, importing, planting, and growing of genetically modified Hawaiian taro in the State of Hawaii.

Because proponents of the ban have expressed concern about the possibility of cross-pollination of Hawaiian taro with genetically modified non-Hawaiian taro, this Act also establishes additional prohibitions on the conduct of certain activities relating to genetically modified non-Hawaiian taro."

SECTION 2. House Bill No. 1663, H.D. 1, S.D. 1, is amended by amending section 2 to read as follows:

"SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**"CHAPTER
GENETICALLY ENGINEERED TARO**

§ -1 Definitions. As used in this chapter:

"Genetically engineered" means alterations to a life form or its living progeny at the nucleic acid level, using the techniques collectively referred to as recombinant DNA technology.

"Hawaiian taro" means taro species that are unique to Hawaii, as listed in *Bulletin 84: Taro Varieties in Hawaii, 1939*.

"Recombinant DNA technology" means the transfer of genes, regulatory sequences, or nucleic acid between hosts by the use of vectors or laboratory manipulations and includes the insertion, excision, duplication, inactivation, or relocation of specific genes, regulatory sequences, or sections of nucleic acid. This term does not apply to a material or an organism developed exclusively through traditional methods of breeding, hybridization, or nondirected mutagenesis.

"Release" means a discharge, emission, or liberation of any genetically engineered organisms, or the product of a genetically engineered organism, into the open environment.

§ -2 Genetically engineered Hawaiian taro; prohibited. No genetically engineered Hawaiian taro shall be developed, tested, propagated, released, imported, planted, or grown in the State of Hawaii.

§ -3 Genetically engineered non-Hawaiian taro; certain prohibitions. (a) No non-Hawaiian taro, to wit, those varieties that are not unique to Hawaii, including, but not limited to, the Chinese taro (Bun long) and araimo varieties, shall be genetically engineered outside an enclosed laboratory. No genetic engineering of non-Hawaiian taro shall be allowed inside an enclosed laboratory, unless entry into the enclosed laboratory is prohibited to the general public.

(b) No genetically engineered non-Hawaiian taro shall be tested, propagated, planted, or grown outside an enclosed structure. No genetically engineered non-Hawaiian taro shall be tested, propagated, planted, or grown inside an enclosed structure, unless entry into the enclosed structure is prohibited to the general public."

SECTION 3. House Bill No. 1663, H.D. 1, S.D. 1, is amended by amending section 4 to read as follows:

"SECTION 4. This Act shall take effect on July 1, 2009; provided that this Act shall be repealed on June 30, 2014."

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

Senator Tokuda rose to speak in support of the motion as follows:

"The purpose of this floor amendment is to better represent the Senate position on the issue of the genetic modification of taro. In deference and out of respect for native Hawaiian cultural beliefs, this amendment will prohibit the genetic modification of taro varieties unique to Hawai'i and will further

protect those varieties by prohibiting the field testing, propagation and planting of genetic modification of any genetically modified taro in Hawai'i. That being said, this bill will allow for the genetic modification and research upon those varieties of taro not unique to Hawai'i, including but not limited to Bun-Long and araimo, under strict laboratory conditions. It is also important to note that this is a compromise position that has been offered by taro growers from around the state and presents a balanced approach to this very controversial issue."

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

By unanimous consent, H.B. No. 1663, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TARO SECURITY," was placed on the calendar for Third Reading on Thursday, April 16, 2009.

THIRD READING

H.B. No. 1148, H.D. 1:

Senator Taniguchi moved that H.B. No. 1148, H.D. 1 pass Third Reading, seconded by Senator Takamine.

Senator Taniguchi then offered the following amendment (Floor Amendment No. 5) to H.B. No. 1148, H.D. 1:

Section 1. House Bill No. 1148, H.D. 1, is amended by amending section 3 to read as follows:

"SECTION 3. Section 92-8, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) If a board finds that an imminent peril to the public health, safety, or welfare requires a meeting in less time than is provided for in section 92-7, the board may hold an emergency meeting; provided that:

- (1) The board states in writing the reasons for its findings;
- (2) Two-thirds of all members to which the board is entitled agree that the findings are correct and an emergency exists;
- (3) An emergency agenda and the findings are filed ~~[with the office of the lieutenant governor or the appropriate county clerk's office, and in the board's office; and]~~ at the locations or in the manner specified for notices in section 92-7; and
- (4) Persons requesting notification on a regular basis are contacted by ~~[mail or]~~ telephone or their requested method of notification as soon as practicable[-]; provided that the requested method of notification has been established by the board.

(b) If an unanticipated event requires a board to take action on a matter over which it has supervision, control, jurisdiction, or advisory power, within less time than is provided for in section 92-7 to notice and convene a meeting of the board, the board may hold an emergency meeting to deliberate and decide whether and how to act in response to the unanticipated event; provided that:

- (1) The board states in writing the reasons for its finding that an unanticipated event has occurred and that an emergency meeting is necessary and the attorney general concurs that the conditions necessary for an emergency meeting under this subsection exist;
- (2) Two-thirds of all members to which the board is entitled agree that the conditions necessary for an emergency meeting under this subsection exist;
- ~~(3) The finding that an unanticipated event has occurred and that an emergency meeting is necessary and the agenda for the emergency meeting under this subsection are filed with the~~

~~office of the lieutenant governor or the appropriate county clerk's office, and in the board's office;]~~

- (3) An emergency agenda and the findings are filed at the locations or in the manner specified for notices in section 92-7;
- (4) Persons requesting notification on a regular basis are contacted by ~~[mail- or]~~ telephone or their requested method of notification as soon as practicable; provided that the requested method of notification has been established by the board; and
- (5) The board limits its action to only that action which must be taken on or before the date that a meeting would have been held, had the board noticed the meeting pursuant to section 92-7.””

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

Senator Taniguchi rose to speak on the amendment as follows:

“With regard to this floor amendment, it basically just adds language to clarify that a board has to transmit notice of an emergency meeting to an individual by the requested method of communication only if the board has that method established. The current language in the bill could be interpreted to require a board to communicate through any means requested.”

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

By unanimous consent, H.B. No. 1148, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS,” was placed on the calendar for Third Reading on Thursday, April 16, 2009.

Stand. Com. Rep. No. 1241 (H.B. No. 1031, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1241 be adopted and H.B. No. 1031, S.D. 2 pass Third Reading, seconded by Senator Takamine.

Senator Taniguchi then offered the following amendment (Floor Amendment No. 6) to H.B. No. 1031, S.D. 2:

SECTION 1. House Bill No. 1031, S.D. 2, is amended by amending section 5 to read as follows:

“SECTION 5. This Act shall take effect on July 1, 2075.”

Senator Taniguchi moved that Floor Amendment No. 6 be adopted, seconded by Senator Takamine.

Senator Taniguchi rose to speak on the amendment as follows:

“Currently in S.D. 2, there is an effective date which would be upon approval with a retroactive date to January 1, 1998. The amendment we’d like to propose would make defective the effective date to allow further discussion in conference.”

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

Senator Taniguchi then moved that Stand. Com. Rep. No. 1241 be received and placed on file, seconded by Senator Takamine and carried.

By unanimous consent, H.B. No. 1031, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO CHAPTER 480, HAWAII REVISED STATUTES,” was placed on the calendar for Third Reading on Thursday, April 16, 2009.

Stand. Com. Rep. No. 1314 (H.B. No. 984, H.D. 4, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1314 be adopted and H.B. No. 984, H.D. 4, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Fukunaga then offered the following amendment (Floor Amendment No. 7) to H.B. No. 984, H.D. 4, S.D. 2:

SECTION 1. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting Section 2 relating to the purpose of establishing the Hawaii broadband commissioner.

SECTION 2. House Bill No. 984, H.D. 4, S.D. 1, is amended by adding a new Section 2 that provides the department of commerce and consumer affairs with the authority to apply for and expend federal moneys received under the American Recovery and Reinvestment Act of 2009, federal funds from fiscal years 2009 and 2010 appropriation measures, and other applicable federal Acts. Also, authorizes the department to use these moneys for the purchase of broadband facilities, services, and equipment, to enter into contracts for broadband related projects, and for the purposes of the measure.

SECTION 3. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting Section 3 that established a new chapter in Hawaii Revised Statutes to establish the Hawaii broadband commissioner.

SECTION 4. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting Sections 4 through 53, that incorporated conforming amendments to the Hawaii Revised Statutes to accommodate the establishment of the Hawaii broadband commissioner as a new chapter in Hawaii Revised Statutes.

SECTION 5. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting Sections 54 through 58, relating to the establishment of rules, policies, procedures, and similar guidelines to be developed by the department of commerce and consumer affairs and the public utilities commission and the transfer of positions, records, contracts, funds, etc., from the department to the commission related to the establishment of the Hawaii broadband commissioner.

SECTION 6. House Bill No. 984, H.D. 4, S.D. 1, is amended by replacing in Section 59 the Hawaii broadband commissioner with the director of commerce and consumer affairs who shall convene a work group to develop procedures for streamlined permitting functions that are applicable to the development of broadband services, and renumbering Sections 59 and 60 as Sections 3 and 4, respectively.

SECTION 7. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting Section 61, relating to the requirement for the legislative reference bureau to review all relevant laws relating to broadband technology that currently exist in the Hawaii Revised Statutes.

SECTION 8. House Bill No. 984, H.D. 4, S.D. 1, is amended by adding a new Section 5 that establishes a subaccount in the compliance resolution fund to receive American Recovery and Reinvestment Act of 2009 moneys.

SECTION 9. House Bill No. 984, H.D. 4, S.D. 1, is amended by amending Section 62, by requiring the deposit of federal funds into a subaccount created under the compliance resolution fund, rather than the commissioner special fund and authorizing appropriations from that subaccount for fiscal years 2009-2010 and 2010-2011, and renumbering that section as Section 6.

SECTION 10. House Bill No. 984, H.D. 4, S.D. 1, is amended by deleting the authority of the Hawaii broadband commissioner to amend or repeal any decision or order executed by the public utilities commission prior to the

enactment of this Act as contained in Section 64, and renumbering that section as Section 7.

Senator Fukunaga moved that Floor Amendment No. 7 be adopted, seconded by Senator Baker.

Senator Fukunaga rose to speak on the amendment as follows:

“The purpose of this amendment is to provide additional opportunities for the Senate to further its discussion of Senate priorities on this measure. There was a Senate Majority package bill which did not survive in the House; by promoting further discussion of the Senate priorities, we hope to regain many of the areas that we would like to see in the final measure.”

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

Senator Fukunaga then moved that Stand. Com. Rep. No. 1314 be received and placed on file, seconded by Senator Baker and carried.

By unanimous consent, H.B. No. 984, H.D. 4, S.D. 2¹, entitled: “A BILL FOR AN ACT RELATING TO TECHNOLOGY,” was placed on the calendar for Third Reading on Thursday, April 16, 2009.

Stand. Com. Rep. No. 1322 (H.B. No. 611, H.D. 1, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1322 be adopted and H.B. No. 611, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Fukunaga then offered the following amendment (Floor Amendment No. 8) to H.B. No. 611, H.D. 1, S.D. 1:

SECTION 1. House Bill No. 611, H.D. 1, S.D. 1, is amended by amending the clarification in section 1, the purpose section (at page 1, lines 11-14), which expresses the legislature’s intent regarding the application of the measure’s amendments to section 235-110.7, Hawaii Revised Statutes, relating to the capital goods excise tax credit. As amended, the purpose clause clarifies the legislature’s intent that the amendments made to section 235-110.7 apply to property placed in service in taxable years beginning before July 1, 2009, rather than taxable years beginning before January 1, 2010.

SECTION 2. House Bill No. 611, H.D. 1, S.D. 1, is amended by amending the new section 235-B, Hawaii Revised Statutes, (at page 26, lines 13-14) to delete the application of the capital goods excise tax credit under section 235-110.7, Hawaii Revised Statutes, to property purchased pursuant to a binding contract in taxable years beginning after December 31, 2011.

SECTION 3. House Bill No. 611, H.D. 1, S.D. 1, is amended by adding a new section 10 to read as follows:

“SECTION 10. The department of taxation shall perform an evaluation of the following tax exemptions and submit a report of the evaluation to the legislature by no later than twenty days prior to the convening of the 2010 regular session:

- (1) Section 237-24, Hawaii Revised Statutes (general excise tax; amounts not taxable); and
- (2) Section 237-28.1, Hawaii Revised Statutes (general excise tax; exemption of certain shipbuilding and ship repair business).

The evaluation of the tax exemptions in this section shall achieve the objectives identified and set forth in subsections (e) and (f) of section 8 of this Act.”

SECTION 4. House Bill No. 611, H.D. 1, S.D. 1, is amended by adding a new part III to read as follows:

“PART III

SECTION 11. Section 373K-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Where any client company uses the services of assigned employees and co-employs assigned employees with a professional employment organization, the client company and the professional employment organization, with respect to the assigned employees, shall not be exempt from the requirements of any federal, state, or county law, including labor or employment laws, collective bargaining rights, anti-discrimination provisions, or other laws with respect to the protection and rights of employees, including chapters 377 and 378, that would apply to the assigned employees if the assigned employees were employees of the client company alone, and were not co-employees of the professional employment organization.

These employee rights shall not be abrogated by any contract or agreement between the client company and the professional employment organization, or the professional employment organization and the assigned employee, which contains terms or conditions that could not be lawfully contained in a contract or agreement directly between the client company and the assigned employee in which no professional employment organization is involved. [~~Notwithstanding any statute, local ordinance, executive order, rule, or regulation to the contrary, where the laws, rights, and protections referred to in this section define or require a determination of the “employer”;~~] For purposes of chapter 237, the employer shall be deemed to be the client company and not the professional employment organization. The department of labor and industrial relations shall notify the department of taxation in writing of any violation of this subsection.””

SECTION 5. House Bill No. 611, H.D. 1, S.D. 1, is amended by renumbering the existing sections 10 and 11, as sections 12 and 13, respectively.

Senator Fukunaga moved that Floor Amendment No. 8 be adopted, seconded by Senator Baker.

Senator Fukunaga rose to speak on the amendment as follows:

“Madam President, the amendments proposed in Senate Floor Amendment No. 8 provide corrections to H.B. No. 611, S.D. 1, which were previously submitted to the Committee on Ways and Means but were not included in S.D. 1. These amendments will ensure that we are able to obtain the maximum revenue gain from the capital goods suspension.”

The motion to adopt Floor Amendment No. 8 was put by the Chair and carried.

Senator Fukunaga then moved that Stand. Com. Rep. No. 1322 be received and placed on file, seconded by Senator Baker and carried.

By unanimous consent, H.B. No. 611, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” was placed on the calendar for Third Reading on Thursday, April 16, 2009.

Stand. Com. Rep. No. 1324 (H.B. No. 1766, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1324 be adopted and H.B. No. 1766, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Galuteria then offered the following amendment (Floor Amendment No. 9) to H.B. No. 1766, H.D. 2, S.D. 2:

SECTION 1. House Bill No. 1766, H.D. 2, S.D. 2, is amended by adding a new Section 3 to read as follows:

¹ Two versions of HB984, SD2 were inadvertently filed – see Day 47 for second version that was decked for 48 hour notice as required by Constitution

“SECTION 3. Section 200-8, Hawaii Revised Statutes, is amended to read as follows:

“[H§200-8] **Boating program; payment of costs.** The cost of administering a comprehensive statewide boating program, including, but not limited to, the cost of:

- (1) Operating, maintaining, and managing all boating facilities under the control of the department; provided that any fees collected within each small boat harbor shall only be expended on costs related to the operation, upkeep, maintenance, and improvement of the small boat harbor from which the fee revenues were collected;
- (2) Improving boating safety;
- (3) Operating a vessel registration and boating casualty investigation and reporting system; and
- (4) Other boating program activities, shall be paid from the boating special fund. The amortization (principal and interest) of the costs of capital improvements for boating facilities appropriated after July 1, 1975, including, but not limited to, berths, slips, ramps, related accommodations, general navigation channels, breakwaters, aids to navigation, and other harbor structures, may be paid from the boating special fund or from general revenues as the legislature may authorize in each situation. Revenues provided in this chapter for the boating special fund shall be at least sufficient to pay the special fund costs established in this section.”

SECTION 2. House Bill No. 1766, H.D. 2, S.D. 2, is amended by renumbering Sections 3, 4, 5, 6, and 7 as Sections 4, 5, 6, 7, and 8, respectively.

Senator Galuteria moved that Floor Amendment No. 9 be adopted, seconded by Senator Chun Oakland.

Senator Galuteria rose to speak on the amendment as follows:

“Madam President, this amendment supports a harbor fund for the Ala Wai Harbor that can only be used for harbor improvements in the Ala Wai Harbor, and a harbor fund for Ke‘ehi Harbor that can only be used for harbor improvements in the Ke‘ehi Boat Harbor, in addition to a harbor fund for each of the small harbors throughout Hawai‘i. The new DLNR Recreational Renaissance plan designates 3 special funds that would allow the transfer of harbor funds to any of 60 land-based projects—hiking trails, public park facilities and roadway improvements—and 29 water-based projects for a total of 90 statewide projects. It is my understanding that roughly one-third of the distribution of bond funds would be allocated to harbor improvements. Boaters have voiced concern over the increases of harbor user fees and worry that they would be carrying a disproportionate share of financing the Recreational Renaissance plan. If this amendment is passed and other small harbors have specific funds to repair their harbors, these harbors could generate more revenue so Hawai‘i might be more successful in attracting local residents and all visitors who come to our island state. So this amendment is offered in support of addressing a way to set up funds for the specific use of improving, repairing and maintaining our small boat harbors, including Ala Wai and Ke‘ehi. For all the reasons I have outlined, I seek these amendments to H.B. No. 1766, H.D. 2, S.D. 2.”

The motion to adopt Floor Amendment No. 9 was put by the Chair and carried.

Senator Galuteria then moved that Stand. Com. Rep. No. 1324 be received and placed on file, seconded by Senator Chun Oakland and carried.

By unanimous consent, H.B. No. 1766, H.D. 2, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO SMALL

BOAT HARBORS,” was placed on the calendar for Third Reading on Thursday, April 16, 2009.

THIRD READING

H.B. No. 1070, S.D. 1:

On motion by Senator Baker, seconded by Senator Ige and carried, H.B. No. 1070, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL INSTITUTIONS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1538, H.D. 1, S.D. 1:

On motion by Senator Ige, seconded by Senator Sakamoto and carried, H.B. No. 1538, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ENVIRONMENTALLY-SENSITIVE PRODUCTS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 34, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 34, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE BONDS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1495, H.D. 1, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 1495, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE INCOME TAX,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 349, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 349, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1470, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 1470, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HAWAII PUBLIC PROCUREMENT CODE,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1512, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 1512, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TEMPORARY RESTRAINING ORDERS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1351, H.D. 2, S.D. 1:

On motion by Senator Hee, seconded by Senator Tokuda and carried, H.B. No. 1351, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PRIVATE AGRICULTURAL PARKS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 730, H.D. 1, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 730, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRUELTY TO ANIMALS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 274:

On motion by Senator Fukunaga, seconded by Senator Baker and carried, H.B. No. 274, entitled: "A BILL FOR AN ACT RELATING TO PATRIOT DAY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 293, H.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 293, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTIVE PROCEEDINGS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 294, H.D. 1:

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, H.B. No. 294, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL LIABILITY OF TRUSTEE TO THIRD PARTIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1600, H.D. 1, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 1600, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1226 (H.B. No. 1404, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1226 was adopted and H.B. No. 1404, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1227 (H.B. No. 267, H.D. 2, S.D. 1):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1227 was adopted and H.B. No. 267, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1229 (H.B. No. 814, H.D. 2, S.D. 2):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1229 was adopted and H.B. No. 814, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NURSE AIDES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1230 (H.B. No. 1270, H.D. 1, S.D. 2):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1230 was adopted and H.B. No. 1270, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1231 (H.B. No. 1378, H.D. 2, S.D. 2):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1231 was adopted and H.B. No. 1378, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ADVANCED PRACTICE REGISTERED NURSES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1232 (H.B. No. 1696, H.D. 2, S.D. 1):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1232 was adopted and H.B. No. 1696, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1233 (H.B. No. 618, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1233 was adopted and H.B. No. 618, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1234 (H.B. No. 869, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1234 was adopted and H.B. No. 869, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1235 (H.B. No. 1040, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1235 was adopted and H.B. No. 1040, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TORT LIABILITY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1239 (H.B. No. 1422, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1239 was adopted and H.B. No. 1422, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VEHICLES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1240 (H.B. No. 1414, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1240 was adopted and H.B. No. 1414, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO METAL," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1242 (H.B. No. 615, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1242 was adopted and H.B. No. 615, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HARASSMENT," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1243 (H.B. No. 271, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1243 was adopted and H.B. No. 271, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1244 (H.B. No. 1152, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1244 was adopted and H.B. No. 1152, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMITTED PERSONS' ACCOUNTS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1246 (H.B. No. 586, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1246 was adopted and H.B. No. 586, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE KANEOHE BAY REGIONAL COUNCIL," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1250 (H.B. No. 1807, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1250 was adopted and H.B. No. 1807, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WATER QUALITY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1253 (H.B. No. 242, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1253 was adopted and H.B. No. 242, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1256 (H.B. No. 1627, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1256 was adopted and H.B. No. 1627, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE

REVENUE BONDS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1257 (H.B. No. 1665, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1257 was adopted and H.B. No. 1665, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISHPONDS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1262 (H.B. No. 1045, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1262 was adopted and H.B. No. 1045, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1263 (H.B. No. 1628, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1263 was adopted and H.B. No. 1628, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOENERGY HAWAII, LLC," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1264 (H.B. No. 1678, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1264 was adopted and H.B. No. 1678, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1265 (H.B. No. 1692, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1265 was adopted and H.B. No. 1692, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1269 (H.B. No. 1483, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1269 was adopted and H.B. No. 1483, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR BETTER PLACE HAWAII, INC.," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1273 (H.B. No. 427, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1273 was adopted and H.B. No. 427, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST ONE PLANET PACIFIC ENERGY, LLC, A PROCESSING ENTERPRISE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1283 (H.B. No. 876, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1283 was adopted and H.B. No. 876, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1284 (H.B. No. 1379, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1284 was adopted and H.B. No. 1379, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PHYSICIAN ORDERS FOR LIFE SUSTAINING TREATMENT," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1285 (H.B. No. 358, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1285 was adopted and H.B. No. 358, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG TREATMENT," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1286 (H.B. No. 366, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1286 was adopted and H.B. No. 366, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MANTA RAYS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1287 (H.B. No. 1537, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1287 was adopted and H.B. No. 1537, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AUTOMATED EXTERNAL DEFIBRILLATORS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1288 (H.B. No. 1059, H.D. 2, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1288 was adopted and H.B. No. 1059, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ONE CALL CENTER," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1289 (H.B. No. 1074, H.D. 2, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1289 was adopted and H.B. No. 1074, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1291 (H.B. No. 426, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1291 was adopted and H.B. No. 426, H.D. 1, 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 OAHU," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1293 (H.B. No. 739, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1293 was adopted and H.B. No. 739, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1296 (H.B. No. 1057, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1296 was adopted and H.B. No. 1057, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII COLLEGE SAVINGS PROGRAM," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1297 (H.B. No. 1064, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1297 was adopted and H.B. No. 1064, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1306 (H.B. No. 975, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1306 was adopted and H.B. No. 975, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL WATER SYSTEMS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1307 (H.B. No. 142, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1307 was adopted and H.B. No. 142, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTRA-STATE AVIATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1308 (H.B. No. 343, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1308 was adopted and H.B. No. 343, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RURAL PRIMARY HEALTH CARE TRAINING," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1311 (H.B. No. 1015, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1311 was adopted and H.B. No. 1015, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OBLIGATIONS OF THE DEPARTMENT OF

HAWAIIAN HOME LANDS TRUST FUND,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1318 (H.B. No. 1686, H.D. 2, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1318 was adopted and H.B. No. 1686, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1319 (H.B. No. 1776, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1319 was adopted and H.B. No. 1776, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1320 (H.B. No. 1103, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1320 was adopted and H.B. No. 1103, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FEDERAL FINANCIAL ASSISTANCE FOR INDEPENDENT LIVING SERVICES AND CENTERS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1321 (H.B. No. 381, H.D. 2, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1321 was adopted and H.B. No. 381, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII ENDOWMENT FUND,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1323 (H.B. No. 986, H.D. 1, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1323 was adopted and H.B. No. 986, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL FACILITIES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1329 (H.B. No. 1071, H.D. 3, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1329 was adopted and H.B. No. 1071, H.D. 3, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1337 (H.B. No. 1415, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1337 was adopted and H.B. No. 1415, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO SERVICE OF PROCESS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1338 (H.B. No. 262, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1338 was adopted and H.B. No. 262, H.D. 2, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE FRAUD,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1339 (H.B. No. 590, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1339 was adopted and H.B. No. 590, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY FACILITIES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1341 (H.B. No. 981, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1341 was adopted and H.B. No. 981, H.D. 2, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1342 (H.B. No. 1316, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1342 was adopted and H.B. No. 1316, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TORTS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1344 (H.B. No. 1101, H.D. 1, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1344 was adopted and H.B. No. 1101, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INVESTIGATORS OF THE DEPARTMENT OF HUMAN SERVICES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

THIRD READING

MATTERS DEFERRED FROM THURSDAY, APRIL 9, 2009

Stand. Com. Rep. No. 1184 (H.B. No. 591, H.D. 1, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1184 be adopted and H.B. No. 591, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Ige.

Senator Hemmings rose in opposition to the measure and stated:

“I would like to preface my remarks by letting you know that I personally—and I think I speak for my colleague—feel a deep sense of responsibility to offer an alternative to business-as-usual in this legislative process and that our point of view hopefully does represent those that are concerned with the path the state’s on and we’re on with bills such as these that end up probably creating more havoc in the economic marketplace and more hardship for consumers than we intend. And I know everyone in this room has the best of intentions.

“This bill very simply will, as testified by DCCA, raise the rates paid by electric consumers. We should all note that here in Hawai’i—and it was just reported in a nationally-publicized article—that we pay the highest electrical rates in the nation. At

the height of the fuel crisis last year, I think you realize that we were paying electric rates that were 190 percent above the national average, far in excess of the rates caused by the greedy, big oil companies that everybody seems to want to demonize. Electric rates in Hawaii are prohibitive and that is due to the politics of a one-company monopoly, which we will not get into now.

“This bill also, besides raising costs for consumers—North Hawaiian Electric—will sustain fossil fuels. If we are to look into the future, the real solution to our energy problems is eliminating the internal combustion engine. It would not only help the environment, but it would also help eliminate our dependency on foreign fuel. By subsidizing fossil fuels, we sustain the use of the internal combustion engine when the great effort (like going to the moon) that our nation should be undertaking to retool our number one industry—car production (or one of our biggest industries)—should be electric cars.

“Also, in third world countries, this type of mentality has proved to be disastrous where we are literally taking our land that should be utilized to grow food to grow energy, and oftentimes energy is more productive financially, so we’re opting out for the dollar rather than the wisdom of doing what’s best for the people in the long term—feeding them.

“And secondly, thirdly, fourthly, or fifthly, whatever point I’m on, the creates a labor and environmentally intensive way to get fuel. We know that a lot of the crops used for fuel, mostly sugar, are very water consumptive so it is not in the best interest of the environment, it’s not in the best interest of consumers, and it’s certainly not in the best interest for energy diversity in the future.

“So, I’d urge my colleagues to really take a look at these bills and the long-term implications before rubber-stamping them with your ‘yea’ vote. I will be voting ‘no.’”

Senator Baker rose in support of the measure and stated:

“I believe the good Senator from the other side of the island has misread this measure. This measure is an attempt to assist agriculture in their energy production which they also sell to an electric company. And I’d like to take just a moment to read some of the words from the agricultural community that really talks about how this measure is focused on renewable energy and not on fossil fuel. And I know that on my island we have a very important agricultural entity and their form of electric generation is bagasse.

“In the testimony submitted to the Committee on Commerce and Consumer Protection, representatives of the agriculture community noted that ‘Hawai’i was a world leader in renewable energy production up to the 1980’s. Other countries came to Hawai’i to see how it was done. Rural areas of Hawai’i obtained most of their energy from agriculture. The sugarcane companies not only produced energy to meet their own needs, but provided for the community as well. This is the model we need to increase our level of energy self-sufficiency,’ and that’s what many of the measures are later on in our Order of the Day talk about. How can we promote and continue to preserve not only agriculture, but switch to energy generation from renewables?”

“The testimony further notes that ‘our farms and ranches all need energy, whether it’s to run refrigeration to cool their produce or for processing plants, as many of our ranches look to vertically integrate to process their own beef. The excess energy could then be sold to the utility as in the sugarcane model and help agriculture be viable. By producing their own energy, our farms and ranches can reduce the load on the utility company. The proposed preferential rate would incentivize our farms and ranches to move in this direction.’ And he cites an example on the Big Island: ‘Kahua Ranch on the Big Island is a

prime example. It utilizes various forms of energy production (solar, wind and PV) to provide for its operation as well as for the residents on the ranch. They are a true model of self-sufficiency.’

“Madam President, colleagues, that’s what this bill is about: It is renewable energy and self-sufficiency that benefits both consumers and our agriculture industry that is in great need. *Mahalo.*”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1184 was adopted and H.B. No. 591, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Hemmings).

THIRD READING

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

Senator Ige moved that H.B. No. 834, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Gabbard.

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

Senators Tsutsui and Green requested their votes be cast “no,” and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 834, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO WATER QUALITY STANDARDS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 4 (English, Hooser, Ihara, Kim). Noes, 2 (Green, Tsutsui).

H.B. No. 1212, H.D. 1, S.D. 1:

Senator Taniguchi moved that H.B. No. 1212, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Takamine.

Senator Ihara rose in opposition to the measure and stated:

“Madam President, this bill relates to consumer complaints against regulated businesses. This issue here is whether the public should have the right to know if complaints have been filed against a business regulated by state government.

“I must object to H.B. No. 1212 because it seeks to solve a specific problem by removing from public disclosure potentially all information on certain government records. This bill allows an exception to the open records law that involves nondisclosure of consumer complaints against business persons regulated by government, particularly when a person makes a right to privacy claim to keep the complaints secret. Government regulates businesses to protect consumers and I don’t believe government should withhold from consumers frivolous complaints by eliminating potentially all complaints from public review, including those that may turn out to be valid. I believe this bill should not move forward because the concern about frivolous complaints can be addressed administratively. DCCA could implement its website policy and remove all complaints filed over five years ago. The Department can also more clearly advise its website viewers that pending complaints indicate only the fact that the complaint has been filed, which may or may not be worthy and valid. I believe consumers smart enough to find DCCA’s website will more than likely understand that a complaint that is pending does not mean that the business did anything wrong.

“Madam President, I would like to encourage fellow Senators to look at this bill from the consumer’s point of view. Government regulates businesses to protect consumers, and I believe consumers want to know if fellow consumers have filed

complaints against businesses they might want to employ. I urge the Senate to defeat this attempt to open a significant hole in the State's open records law. I believe the public policy of transparency for consumers outweighs the narrow concern about frivolous consumer complaints. Thank you, Madam President."

Senators Bunda, Chun Oakland, Ige, Fukunaga, Baker, and Kidani requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 1212, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 6 (Baker, Bunda, Chun Oakland, Fukunaga, Ige, Kidani). Noes, 2 (Espero, Ihara).

At 10:06 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:08 a.m.

H.B. No. 332, H.D. 2, S.D. 1:

Senator Takamine moved that H.B. No. 332, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose in opposition to the measure and stated:

"Let's remember how this bill got here. It was originally an unemployment compensation bill tied to domestic violence and rights of employees or beneficiaries, and it was gutted and replaced with the bill that pops up annually for the last 5 years to force employers to retain all existing employees if there is a sale, transfer, or merger. Every business organization testified against this bill because it is a bad business bill. It ties the hands of employers. It makes them responsible for their actions but does not allow them the very basic tenets of hiring and firing. The bill says that this is necessary in these economic times, and I would argue that just the opposite is true because we're seeing businesses shut down; we're seeing massive layoffs. If we want to preserve businesses, then we must preserve the ability for those employers to take whatever necessary steps they must to secure the continuation of the business. This absolutely guarantees the opposite, and as the Kuaa'i Chamber of Commerce said, 'It will also guarantee bankruptcies.' Thank you."

Senator Takamine rose in support of the measure and stated:

"In the interest of time, I respectfully request that the remarks made by me on March 6, 2009, in support of S.B. No. 688 be inserted into the Journal." The Chair so ordered.¹

Senators Ihara, Ige, Green, Nishihara, and Kim requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 332, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 5 (Green, Ige, Ihara, Kim, Nishihara). Noes, 3 (Hemmings, Sakamoto, Slom).

H.B. No. 35, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 35, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"Under the Constitution, the taxpayers, the residents of Hawai'i, are due a tax refund if there are two consecutive

periods of tax surplus. And while it seems a little silly right now that we're debating this in times of economic crisis, the Constitutional amendment is important, and it is also important that we have a rational and reasonable amount of return in those good times that are going to return to the State. So, to relegate this to an unspecified amount and to put the money in the general fund, rather than to return it, would be a mistake. Thank you."

The motion was put by the Chair and carried, H.B. No. 35, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT," passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 573, H.D. 1, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 573, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY AND BUDGET RESERVE FUND," passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1544, H.D. 1, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 1544, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Hemmings).

H.B. No. 1550, H.D. 2, S.D. 1:

On motion by Senator Kim, seconded by Senator Tsutsui and carried, H.B. No. 1550, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

H.B. No. 1744, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1744, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

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

At 10:13 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:14 a.m.

Senators Tsutsui, Taniguchi, Takamine, Kokubun, Tokuda, Ige, Chun Oakland, English, Fukunaga, and Ihara requested their votes be cast "aye, with reservations," and the Chair so ordered.

Senator Kim requested comments in support of the measure be entered into the Journal.

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

"Madam President, I rise in support of House Bill 1744. No one said it would be easy or that we would get buy ins but the Legislature must balance the needs of the counties against the State's programs and expenses supported by the general fund through a review and reallocation of the Transient Accommodations Tax (TAT).

"The direct tax allocation of TAT to the counties has really been a windfall. The counties pleaded for complete control of the real property tax at the 1978 Constitutional Convention. The counties contended that with complete control over the real

¹ Request withdrawn at later date.

property tax, they would be able to raise the revenues they needed. Even after getting complete control of the real property tax, the counties continued to seek State financial support by requesting grants-in-aid or other taxing powers in the early 1980's. And in the late 1980's the Legislature used some of the TAT funds to make a one-time grant to the counties.

"Later, when the TAT was earmarked for the convention center, lawmakers earmarked a fixed percentage of TAT collections for each county. Over the years, counties shifted more and more of the real property tax burden onto nonresidential classes of property, creating the illusion that more programs could be provided without raising property taxes on residential property. Now it appears that the nonresidential properties have been tapped out. Politically, the counties have avoided the option to go back to homeowners and ask for increases in their property taxes to keep receiving the same level of county services.

"Your Committee recognizes that county governments have not experienced the tremendous decline in revenues experienced by state government.

"HB 1744, HD1, SD1, to suspend the TAT distributions to the counties came from the House as a means to help support the huge mess of the State Hospitals on the neighbor islands. As a former Councilmember for 14 years, I am very sensitive to the counties reliance on the TAT. So I amended the bill to suspend the TAT distributions starting in FY 2011, allowing the counties time to reassess their budgetary priorities and give them the authority option to implement a TAT surcharge of up to five percent. Would they rather have the TAT outright? Of course. Do I wish we didn't have to do this? Of course.

"The 5% surcharge is estimated to bring in \$66.5 million (Oahu County); \$47.5 million (Maui County); \$20.0 million (Hawaii County); and \$15 million (Kauai County). Estimated general fund revenues gain is \$97.6M (FY11); \$103.0M (FY12); \$109.3M (FY13); \$116.1M (FY14); and \$123.6M (FY15).

"The funds will still benefit the counties indirectly through State funded services. For example, the \$30 million general fund subsidy to the HHSC regions allows its facilities to continue serving its communities, primarily rural communities on the neighbor islands, at the same levels of service and to work on important initiatives to expand needed services. For some counties, HHSC is the sole source for emergency health care.

"For years, the counties have sought home rule and taxing authority. This measure will do just that."

The motion was put by the Chair and carried, H.B. No. 1744, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Ayes with Reservations, 11 (Chun Oakland, English, Fukunaga, Hooser, Ige, Ihara, Kokubun, Takamine, Taniguchi, Tokuda, Tsutsui). Noes, 6 (Baker, Bunda, Espero, Green, Hemmings, Slom).

H.B. No. 1747, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1747, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"This is the second of many more bills to raise taxes, and it seems that the popular thing in our nation and in our community is to try to have class warfare and say, 'We're going to tax the rich.' The problem is when most families in this community who are forced to work more than one job look around at their

total gross income, they find out, 'Oh! I'm the rich and we're taxed.' To be taxing anyone—but particularly individuals, families and small businesses at this time—taxing them more than they're already taxed third highest in the nation, is not going to help us. It's going to hurt our economy and slow our recovery more. So, I urge our members to consider this and vote 'no.' Thank you."

Senator Hemmings rose in opposition to the measure and stated:

"I'd like to, in speaking against it, just share some thoughts regarding wealth. Honest wealth comes from productivity, it comes from ingenuity, it comes from innovation, it comes from risk taking—attributes that we should be certainly encouraging throughout our society. Wealth is not a finite commodity. The harder you work, the more productive you are, the more ingenuity you use, the more wealth you can create.

"There seems to be a growing tendency, as the good Senator from Hawai'i Kai mentioned, in this nation to evoke class warfare as an excuse to raise taxes. It should be noted that by far and away, most of the taxes paid are paid by the wealthy. I'd like to ask a rhetorical question since people seem to be so quick to condemn wealth and wealthy people, although most of us aspire to attain that status: How do the wealthy hurt us? I would suggest how fortunate we are to have wealth in our nation, to have wealth in our state, and to have wealthy people here, because they do not hurt us. They're the ones that pay for the welfare that we give out to those who are less fortunate than us. They're the ones in large part who pay for the benefits of running a large, expensive government. So taxing the wealthy may make an additional incentive for the wealthy to go elsewhere to live. It's done all the time.

"But as usual there are alternatives that are being ignored in addressing our fiscal problems. Those alternatives are what most poor people and indeed some wealthy do when financial times get difficult. They stop spending. They become wiser in how they spend their money. They do not, in this particular case of government, cater to some special interest groups that are being fed from the trough of big government and high taxes. So you may think that you're incurring favor with the people of Hawai'i by taxing the wealthy with that rhetorical statement when indeed it is not true. This does increase taxes and takes it from the producers and the private sector and puts it into government, oftentimes to be spent inefficiently and ineffectively to benefit those people who government should be benefitting. I'd urge my colleagues to vote 'no' against this legislation."

Senator Hooser rose in support of the measure and stated:

"I'll keep my comments very brief. There are going to be several bills that we're going to be voting on and discussing here today that relate to the state budget; several of those involve taking the discussion forward to increasing fees and taxes. And I don't think any of us really look forward to raising fees and taxes, but I think looking at the entire situation—the state budget—we realize that everyone, everyone in our state must share in the burden of balancing the budget, and this proposal levels the playing field. And I think most of us here in this room support a progressive tax system, and we're much criticized for having a very regressive tax system here. But when you take all of the taxes combined citizens in Hawai'i pay, the very poorest of our citizens pay an average of 12.6 percent in taxes, state-local taxes combined. The very poorest pay 12.6 percent, while the top 1 percent pay a net 5.8 percent of their total tax burden. And as you can see, in terms of leveling the playing field, in terms of shifting the burden somewhat, this bill will certainly help in that. I think no one here, certainly I've heard no one here today say, 'Vilify or demonize the rich and the wealthy.' We clearly count on

entrepreneurs and business to build wealth, but this is a case of everyone helping and leveling the playing field somewhat, and I urge my colleagues to vote in support. Thank you, Madam President.”

Senator Hemmings rose in rebuttal and said:

“The previous speaker illuminated some situations that I think oftentimes are a matter of perspective. He mentioned sharing the burden. Well, there’s one group that isn’t sharing any burden. They’re not taking any pay cuts. They’re pretty much immune from accountability as far as the quality of their work goes, and we just saw the quality of their work in the Ways and Means Committee the other day. By a massive ignorance of their own job, they’re not taking a pay cut—at least they’re negotiating not to—and they have some of the most benevolent benefits of any employees in the nation. And that, of course, is our public workers who this budget and tax exercise we go through is designed to benefit. And I don’t want to take anything away from most public workers. I think they do an excellent job, but they along with the rest of us are being cheated by their fellow workers who don’t, and we don’t seem to have any recourse to hold them accountable.

“It was also mentioned by the previous speaker that no one’s offering an alternative. Yes, there is an alternative. I think the budget can be balanced through meaningful pay cuts across the board and through other innovative things that some special interests don’t want us to do, but the Governor has offered means to balance the budget without raising these problems that we’re addressing in this bill.

“And the third thing I’d like to mention is by every standard measurement of fairness in the nation, Hawai‘i is amongst the highest taxed people in the nation and we are, by every standard, taxed the most regressively. Now you can spin out any figures you want to paint the picture you want, such as income tax burden. But when you combine all the taxes that we pay, including the extremely regressive tax on food, on certain medical care and over-the-counter pharmaceuticals, and all the other tax impacts, there’s no doubt by most everybody—including our standard deductions, by the way—that Hawai‘i’s poor pay the disproportionate largest part of their income in taxes. But we shouldn’t be pitting the poor against the wealthy, and we should not have a tax environment that penalizes anybody to the extent that we can reduce government spending in a lot of innovative ways rather than consistently going in year out when we have economic hard times to find ways to squeeze more money out of the people of Hawai‘i to continue the folly of our own government. And I use the word ‘folly’ very explicitly. We saw it the other day, just as I said in the Ways and Means Committee where the people testifying, employees of state government... How can I put this nicely? I think someone in the Committee wisely said it was ‘embarrassing’ and that’s probably the nicest thing one could say about it. So, we really have to look at better ways to balance the budget rather than increasing taxes because inevitably it hurts the rich and the poor, and it’s just not the right thing to do in a bad economic environment. Thank you, Madam President.”

Senator Hooser rose in rebuttal and said:

“I want to clarify that the numbers I quoted were the combined tax burden for the very poorest in our community and the very wealthiest. And again, it shows the very poorest pay 12.6 percent combined all taxes, and the very wealthiest pay 5.8 percent.

“I’d also like to say for the record, what the previous speaker said that public workers have not been asked to give on this situation in our budget I think is going to be a reoccurring theme here today. I think it’s easy to use public workers as a whipping boy. I am personally insulted on behalf of the

thousands of public workers who do a fine job for our state in all areas. And for the record, in Ways and Means we did vote, and we’re going to vote here again today. We voted to cut wages for the executive, judicial and legislative branches. I believe those wages are public worker wages. And for the record, the only person to vote against cutting those wages was the Minority Leader who voted against cutting his own wages while everybody else on the committee supported that. There’s a long process we have to go through yet to balance the budget. This is but one small part and I believe again we must all share in this. So, thank you, Madam President.”

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

The motion was put by the Chair and carried, H.B. No. 1747, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 3 (Bunda, Fukunaga, Ige). Noes, 4 (Gabbard, Green, Hemmings, Slom).

H.B. No. 813, H.D. 1, S.D. 1:

On motion by Senator Chun Oakland, seconded by Senator Ihara and carried, H.B. No. 813, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Hemmings).

H.B. No. 39, H.D. 2, S.D. 1:

Senator Kim moved that H.B. No. 39, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

“This bill would raid most special funds, put them in the general treasury, would also take interest from other general funds, would jeopardize those special funds that are required by the federal government for federal deposits or federal matching, and would set yet another bad precedent involving special funds in this community. Thank you.”

Senator Hooser rose in support of the measure and stated:

“I was initially going to vote with some reservations, but it’s a very small part of the bill. I want it to be on the public record that the Hawai‘i Elections Campaign Fund is named and it’s part of a check-off box; and I believe that consumers, when they check off the box, expect it to go to a certain place and so I’m hesitant to support that particular measure. But again, there’s lots of measures that we’re going to be voting on today and they’re all important to making the budget work in the end, and so I’m voting in support and urging my colleagues to do likewise. Thank you.”

Senator Hemmings rose in opposition to the measure and stated:

“We have done this so many times before, and I would suggest that the Majority party—and I certainly agree with the previous statement made on this floor. I’m rising to speak against this legislation, Madam President, for point of clarification. No one’s a whipping boy here. I will say, and I’ll say it again, because I know I’ll be accused of bashing public workers. Most public workers are good, hardworking people and deserve the pay they earn so diligently, but some are not, and some exploit their fellow workers.

“This is a raid on the funds to fatten the general fund for collective bargaining. So the collective bargaining process—and we all know the labor unions and so-called ‘public workers’

are, in these difficult times, basically negotiating to freeze their salaries, and not take a pay cut or be laid off like everyone else in the community, which may be very foolish because if we run out of money, they will be laid off because we cannot pay them. This transfers special funds. There could be a constitutional question in some of these issues, as we learned from the insurance compliance fund—we've done this before. In order to fatten the last round of collective bargaining I think four sessions ago, we actually raided special funds and held hostage all the human service programs. That's what this is all about. Let's be honest about it. This isn't about balancing the budget. This is about fattening up the general fund so collective bargaining for public workers can walk away not helping to balance the budget through sharing in the pain of what we're going through here, especially those 40,000 plus citizens who no longer have a job. It was so bad one year we were actually going to shut down the DCCA and take all their money and put it in the general fund so it'd be a nice, fatted cow for the collective bargaining process. That's what this is all about, and anybody who says otherwise is either extremely deceptive or naive. I would suggest that I am for a balanced economy. I am for fairness in the marketplace and public employment. I'm very much in favor of rewarding those hard public workers that do a good job. But likewise, I'm in favor of holding everyone accountable in the process and making sure that public workers participate in contributing to the economic welfare of the entire state. And by no means, as the previous speaker said, am I pointing out one particular group as a whipping boy. I'm just putting on the table the honest assessment of what's going on here, and it's not fair. Thank you, Madam President."

Senator Sakamoto rose in support of the measure and stated:

"Unfortunately, some of the focus has been placed on public workers, but I believe the focus should be on balancing the budget and maintaining the services that our state needs to provide. If the state doesn't need to provide certain things that we're currently doing, I believe the people who can most control that are the Administration. They've been governing and they manage, so they can determine which services could be more efficient or should be more efficient, and perhaps which services should go. On the other hand, in recent months, some services have been put on the chopping block and we can see the results. Why are people shot? Why are people stabbed? Why are there potholes in the road? Why are the prisons overflowing? Why are people complaining about services that our state government should perform better? They're complaining because our state government should perform them better and it's not the fault of the public workers. It's the fault of a system that could be more efficient and some of that efficiency requires the correct amount of dollars for the system to perform the work properly. You can't push a car 10 miles when you fill in only 90 miles of gas and you want to go 100 miles. You can't ask public workers to push 10 miles, and then you say, 'Why don't you get there on time?' We need to fuel our system and run our system efficiently. Unfortunately, the economy, global and national matters have caused our budget to be in a problematic state. We need to do all we can do, and if there are funds sitting in accounts that are not being used, we ought to use them because we need to maintain the services for the people of Hawai'i. Thank you very much."

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

"I'd like to return to the bill at hand and look at the various funds that are being proposed to contribute some of their seemingly unrequired balances for purposes of budget balancing. And I know that the Chair of Ways and Means is looking at some of these funds reluctantly. She has only so many quivers in her packet of arrows and tools that she can use, and so I applaud the effort that she's making because I know

it's not an easy task. I would just ask that as this measure goes to conference, that perhaps if there are some of the smaller funds that in fact do support health and human service areas that we don't look at the whole 5 percent on central services assessment but perhaps assess a smaller percentage. I'm concerned that while some of the University funds are being excluded from assessment, others are not, and one that is particularly important to me because it's important to our state, is the Cancer Research Fund. It appears to me that it may still be in this measure not to raid but to require payment of a central services assessment fee and I would hope that as it advances, perhaps another look can be taken at that one because those funds are definitely needed for building out the expansion of CRCH and to make sure that we keep our NCI designation. I think that it's important. As we move forward, we have to look at all of the funds at our discretion to see how best we can come up with an overall plan that's going to move us forward. The economic situation was not of this body's making, and it's certainly wasn't of our public employees' making and it wasn't our residents' making, so we need to figure out how we can best balance all of the legitimate and competing interests we have, and I applaud Ways and Means for making a valiant effort."

Senator Kim rose in support of the measure and stated:

"Madam President, this measure takes excess funds, and it doesn't jeopardize any federal funds. And I'd just like to state that the Ways and Means staff has worked very tirelessly on looking at every single one of these funds. They have looked at the expenditures, the revenues over the period of years, and have estimated based on talks with the departments as to what in fact they need of these funds in order to be able to continue to do their services. And with all of that information, Madam President, we were able to identify certain amount of sums for each of these. There are many other funds that we looked at. After discussions with the departments and various people, we were not able to take those funds because of just that fact: That they need that in order to operate. This is no different, Madam President, from the Governor taking the Bottle Bill Fund, taking the money from PUC, 9-11, and so this just goes along that line. If we're going to say 'no' to a lot of revenue measures, then we'd better look at everything else that's on the table because at the end of the day, we're not going to have enough money for all of your projects that many of you have requested. Thank you."

Senator Green rose in support of the measure and stated:

"I just wanted to say that we're all trying to strike a balance here today. I'm voting in favor of some tax increases and against others, and I commend the Chair of Ways and Means for bringing this bill forward because I think it does take the pressure off of some of the tax increases in order to get us where we need to be for our state. Thank you."

The motion was put by the Chair and carried, H.B. No. 39, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE REVENUES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 1 (Baker). Noes, 3 (Gabbard, Hemmings, Slom).

H.B. No. 1605, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1605, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"I, like I'm sure most of my colleagues, support home rule, and we had this debate-discussion a number of years ago when the City and County of Honolulu was given an increase in the general excise tax for the rail. Even the Governor argued that

that was home rule. It was not home rule because it specified what county could do what, what they couldn't do, what the rate would be and everything else. This bill here purports to give a retail sales tax authority to the counties, but it sets the maximum rate at 1 percent. And in other bills we're going to be taking, or proposing to take away, existing revenues from the counties. So you can't really talk about the idea of home rule; what you're really talking about is yet another tax increase. And this would be even more interesting because on top of the general excise tax, on top of the general excise surcharge in the City and County of Honolulu, you could now have the possibility of a sales tax. This would be an absolute nightmare for businesses that would have to have two sets of information to differentiate between the general excise tax and between the sales tax. It also leaves many unanswered questions, and I am absolutely confident that, of course, this is something to take us into conference committee with, but I see that a number of the bills we're just throwing them out there to see who salutes and what the ultimate is going to be. However, if they all came home to roost and they all were passed, what we would see is we would absolutely go from number three in the nation on tax burden to number one at a time when we cannot afford it. So, you know, it's interesting if we want to talk about home rule, then let's go all the way and let's turn over all taxing authorities to the counties without any kind of limitation or recognition of what the money is going to be used for. Thank you."

Senator Kim rose in support of the measure and stated:

"Madam President, after decades of lobbying and fighting for home rule and additional taxing authority—and I should know because I spent 14 years on the Honolulu City Council—it's interesting now that the counties are now shying away from any taxing authority and instead would like us to raise the GET tax. Never mind that the GET tax is regressive and will hurt businesses across the state. They certainly didn't shy away in 2004 when Honolulu pushed for the ½ percent GET tax for rail; and it's my understanding that other counties now wish that they'd opted for the ½ percent tax. In fact, I'm told that the Big Island mayor has been lobbying the House for this option early on during the Session.

"By allowing each county to implement a retail sales tax of up to 1 percent on the sale of tangible, personal property, the counties will be able to demonstrate greater self-sufficiency by enhancing their authority to generate revenues necessary to fund vital programs and services within their jurisdiction. According to DoTax, assuming that the tax rate is 1 percent, the annual revenue gains would be, for the respective counties: \$143 million for Honolulu, \$39 million for Maui County, \$29 million for Hawai'i County, and \$16 million for Kaua'i County.

"The retail sales tax does not pyramid like the GET. And although much of the conversation regarding this bill focused on the county's loss of the potential TAT revenues, this measure does not address the TAT, which is a separate issue. But, Madam President, at the end of the day, if the counties do not want this tax, then certainly I'm not going to vote in favor of it. Thank you."

Senators Fukunaga, Taniguchi, Tokuda, Ige, Gabbard, Green, and Ihara requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 1605, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Ayes with Reservations, 7 (Fukunaga, Gabbard, Green, Ige, Ihara, Taniguchi, Tokuda). Noes, 4 (Baker, Bunda, Hemmings, Slom). Excused, 1 (Sakamoto).

H.B. No. 1272, H.D. 1, S.D. 1:

On motion by Senator Gabbard, seconded by Senator Fukunaga and carried, H.B. No. 1272, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC WASTE RECYCLING," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Sakamoto).

H.B. No. 1809, H.D. 2, S.D. 1:

On motion by Senator Gabbard, seconded by Senator Baker and carried, H.B. No. 1809, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

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

On motion by Senator Nishihara, seconded by Senator Kim and carried, H.B. No. 754, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1364, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1364, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings rose in opposition to the measure and stated:

"Madam Chair, in speaking against this bill, I want to highlight a problem that's been spoken of before peripherally but not in very much detail. I will give you some concerns that I think all Americans, especially those of us in Hawai'i who are rapidly becoming the highest taxed people in the nation, have regarding American Recovery and Reinvestment Act. This Act is unprecedented and it really puts us in a very difficult place at the state levels because it's going to provide us with a lot of revenue but will also leave us with increased debt to pay it off. It's important to note that some states and the federal government's spending are out of control—in fact some have stayed at the national level. The American Recovery and Reinvestment Act combined with budget increases and future spending initiatives at the federal level are going to take the federal government down the same path as the State of California. Prior to January 20th of this year, the deficit (that's the one year deficit spending for the federal government) was projected to be \$500 billion. In the few short months since that time, our national deficit for one year has soared to \$1.7 trillion. It's hard to understand that number. Nevertheless, that's what it is. Someone's going to have to pay that back or more drastic things will happen to our economy.

"There's another problem that has been highlighted before but never quite recognized by many, especially those in the federal government, and unfortunately too many in state governments. What's going on with the American Recovery and Reinvestment Act is when they're giving us the money, it comes with a tremendous amount of strings attached. It is in some instances so bizarre that the actual legislation President Obama signed into law says that the governor shall spend the money without necessarily having legislative oversight. Who needs us? But it violates a much more important principle to the very structure of our government and that is—I had mentioned this before but I thought I'd whip it out and read it—Federalist Papers No. 4, where Madison, in writing to Publius, a fictitious person in New York, regarding the Constitution said, 'The powers delegated by the proposed Constitution to the federal government are few and defined. Those which remain in the state governments are numerous and indefinite. The

former will be exercised principally on external objects (war, peace, negotiation of foreign commerce) with which the last power of taxation will, for the most part, be connected. The powers reserved to the several states will extend to all the objects which, in the ordinary course of affairs, concerns the lives, the liberties, the properties of the people in the internal order in improvement and prosperity of the states.’ So obviously our government was built to have us control our destiny here in the State of Hawai‘i, not politicians in Washington, D.C. They are literally printing money and spending what they don’t have. I will admit, in Washington, people on both sides of the aisle are guilty of this. It’s going to bankrupt our nation and more importantly, it’s going to take away control of our destiny from the Hawaiian Islands. The Reinvestment Act is mandating numerous initiatives to where we do not control our destiny. The Reinvestment Act funds programs that really don’t have any justification at the national level. Jimmy Carter started the federal Department of Education. It’s gone downhill ever since. There are numerous federal initiatives that take away our ability to control our destiny. The genius of the constitutional structure of our government is that we have states and a federal system, wherein the states control our destiny. We have many different needs and obligations here in Hawai‘i than the people of Maine or Minnesota, and that is something we should cherish and encourage. This American Recovery and Reinvestment Act is a step in the wrong direction, and I would seriously consider not taking the money if it weren’t for the fact that we have to pay it back. So I’ll be voting ‘no’ to make that point. Thank you, Madam President.”

The motion was put by the Chair and carried, H.B. No. 1364, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE BUDGET,” passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1739, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1739, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

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

Senator Kim requested comments in support of the measure be entered into the Journal.

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

“Madam President, I rise in support of House Bill 1739. This measure started out as a conformity bill to standardize the penalties that tax preparers pay for improperly filing state tax documents so they would be at the same level as federal penalties these tax preparers would pay for improper filing of federal tax documents. During the hearing, many tax professionals testified that they are not opposed to the conformity of the penalties but asked that if they are to conform to the federal penalties, they should be given the same safeguards and appeals process that are built into the federal code.

“With this in mind, the Committee on Ways and Means proceeded to amend the bill with the help of tax professionals and the Department of Taxation to conform not only to the federal penalties but to provide the same safeguards and appeals process that are in the federal code.

“More specifically, the measure:

- Amends the definition of ‘tax preparer’ to conform with the IRC’s definition

- Provides for an expedited administrative appeals program
- Authorizes the department to undertake temporary rulemaking
- Makes documents submitted to the tax review board public information
- Clarifies the burden of proof with respect to issues relating to false or fraudulent tax returns and the intent to evade taxes be more in-line with the federal standard

“The belief is that this measure changes Hawaii’s tax law to conform with the Internal Revenue Code (IRC) with respect to issues relating to tax preparers and the deterrence of tax fraud. The changes in the current measure will provide tax payers and practitioners with more guidance and notice of the tax department’s policies through the issuance of preliminary rules and the availability of tax review board documents. The department will also be able to respond more quickly to tax appeals through the expedited appeals program.”

The motion was put by the Chair and carried, H.B. No. 1739, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Baker). Noes, 1 (Bunda).

H.B. No. 1741, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1741, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose in opposition to the measure and stated:

“The bill talks about redistribution or temporary distribution of the conveyance tax funds, but what it also does is have the provision in there to raise the conveyance tax. We’ve gone through this before. I’ve spoken against the increase in conveyance tax because it also affects every recorded document, whether it’s a rental or lease agreement or anything else. And so, again, we’re talking about yet another tax increase. Thank you.”

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

“Madam President, colleagues, I want to commend the Chair of the Ways and Means Committee and the Vice President here. They’re working together on an amendment which dramatically improves the bill, as opposed to when it was first introduced to the Committee. And it does dramatically improve it, but I do have some concerns that when it goes into conference that it might slip back and further negatively impact the Legacy Land Fund, the NARS funds, and affordable housing. And so I am expressing my reservations. Thank you.”

Senator Kokubun rose in support of the measure and stated:

“I want to first thank the Chair of Ways and Means for allowing me to work on this bill. With respect to the concerns that have been raised about the additional taxes, I think that the way the structure is now, there is a graduated scale for certain values, and that graduated scale has just been extended into the higher value lands and residences that are being exchanged. So I think it’s consistent in that regard, and I think what’s even more important is that these moneys will be used for some very, very good programs. And it’s something that I think, you know, we need to continue to support, and I think in the long run it’s going to be beneficial to the entire state. So with that, I ask my colleagues to support this measure. Thank you.”

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

Senator Kim requested comments in support of the measure be entered into the Journal.

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

“Madam President, I rise in support of HB 1741 HD1 SD1 – Relating to the Conveyance Tax. Temporarily retaining a greater share of conveyance tax in the general fund will help maintain core services funded by the general fund, while easing the loss of revenue to these important programs. Specifically, this measure changes the distribution of conveyance tax revenue beginning July 1, 2009 to June 30, 2012, by temporarily reducing the distribution of conveyance tax revenue to the Land Conservation Fund (from 10% to 5%), Rental Housing Trust Fund (from 30% to 25%), and Natural Area Reserve Fund (from 25% to 20%), respectively.

“The measure recognizes that the rise in property values in the State and the increases in residential home investment will provide the State with additional revenue.

- For properties valued in excess of \$1 million, the conveyance tax rate ranges from THIRTY CENTS to \$1.00 per \$100 of value for properties valued from \$1 million to \$10 million or more.
- For properties that do not qualify for a county homeowner’s exemption, the rates range from FORTY CENTS to \$1.25 per \$100 of value for properties valued from \$1 million to \$10 million or more.

“Finally, it should be noted that with the restoration of the five percent reductions to the Land Conservation Fund, Rental Housing Trust Fund, and Natural Area Reserve Fund in June 2012, these programs will be poised to receive greater conveyance tax revenue in light of the increased tax rates on high-value real property and residential investments.”

The motion was put by the Chair and carried, H.B. No. 1741, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Ayes with Reservations, 7 (Baker, English, Espero, Hooser, Ige, Ihara, Taniguchi). Noes, 7 (Bunda, Gabbard, Green, Hemmings, Slom, Tokuda, Tsutsui).

H.B. No. 135:

Senator Fukunaga moved that H.B. No. 135 pass Third Reading, seconded by Senator Baker.

Senator Slom rose in support of the measure and stated:

“It is so good to be able to talk about a bill of great importance that doesn’t involve finances, taxation, spending or debt. This bill would name the Kamehameha butterfly as the state insect, and as you know, we have the state tree and the state mammal, and the state everything else. The Kamehameha butterfly is one of two native species of butterfly. Actually the Kamehameha part was misnamed when the name first was used after the death of the last of the Kamehameha king line. In our Committee there was testimony from one class of one school children, so I really am a little concerned, even though I’m supporting the bill, that the bill was not properly vetted. I know that there was talk about yanking the bill from Committee onto the Senate floor so that we’d have further discussion but that did not happen. And since the time that the bill passed, I have been besieged by constituents, and I’m sure many of my colleagues also, by what they consider to be the true insect of the State of Hawai’i. When we think of Hawai’i and we think

of insects, of course we think naturally of the cockroach. And when we think of the cockroach, we think of a very important industry in the state that goes also with it: the slipper. But even though the cockroach did not get its day and its due in the Committee, I will support the will of our *keiki* in school because as you know, Madam President, everything we do in this building, every tax we raise, every special fund we create, every debt that we incur, is ultimately going to be paid by our *keiki*. So, I stand in support of the beautiful butterfly, Madam President. Thank you.”

The motion was put by the Chair and carried, H.B. No. 135, entitled: “A BILL FOR AN ACT RELATING TO THE STATE INSECT,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1260, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 1260, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Taniguchi.

Senators Taniguchi, Ihara, Chun Oakland, Fukunaga, Tsutsui, Tokuda, Ige, Green, and Bunda requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, H.B. No. 1260, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 9 (Bunda, Chun Oakland, Fukunaga, Green, Ige, Ihara, Taniguchi, Tokuda, Tsutsui). Noes, 3 (Baker, Hemmings, Slom).

H.B. No. 1536, H.D. 2, S.D. 1:

Senator Taniguchi moved that H.B. No. 1536, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Kim.

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

“The subject of legislative pay raises in my mind is one of the most controversial issues before us this session. Of course, there are opponents and supporters of most every bill, but the legislature seems and appears to be the only source of support for a pay increase during this economic downturn. Per column inch in the newspapers, it has received the glaring amount of negative attention where opinions expressed in letters and commentaries have been critical and even derogatory. While public outcry normally causes us to take notice of any issue, we seem to be unusually calm about accepting pay raises in the face of such criticism. As someone who has walked these hallways since 1982, I am sympathetic for those legislators who devote themselves full-time to what is still meant to be a part-time commitment. However, in light of the extreme fiscal challenges before us, no one can claim to be above making sacrifices. No matter how long it takes, we should all come out of this whole at the end of this economic crisis. Madam President, I believe that the 5 percent reduction specified in this bill will be perceived as a token gesture and not enough to count towards our economic recovery. This may be a time when we will have to ask the public to tighten their belts beyond the belt notch. Who are we fooling? We should do our part and lead by example. This bill should be amended in conference, and at the end of the day it should provide a much greater contribution to the collective effort it will take to balance our state’s budget. For these reasons, Madam President, I am voting ‘with reservations’ on this bill.”

Senator Hemmings rose in opposition to the measure and stated:

"In proceeding, I want to point out that one of the astute observations from the other side of the aisle regarding previous legislation enumerated—or illuminated, I think would be the better word—the fact that I voted against this bill in committee, which I did. But my vote here today is not a vote of political convenience, so I sound self-righteous by knocking back my pay by 5 percent and knocking back the pay of executive and judicial branch of government 5 percent. My vote is hopefully a vote of conscience because it is extremely unfair.

"The collective cost of executive, legislative and judicial salaries is approximately \$20 million. The collective cost of collective bargaining salaries—unionized employees—is about 70 percent of A Fund expenditures, over \$3 billion. This is a token measure, at best. And people have been talking about let's be fair, let's be fair, let's be fair. Well let's be fair. The fairest solution, which would go a huge, huge way in balancing our budget, is to cut everybody collecting a paycheck from government's salary 5 percent. That would be fair. We would all share in balancing the budget in a fair and equitable way. But that's not what's happening.

"I have to add, to cut overhead we should cut programs that could be done better by the private sector and cut programs that aren't working at all. Public workers in the State of Hawai'i enjoy some of the best compensation, oftentimes far in excess of the people in the private sector. Public workers are indeed getting paid a fair wage for fair work. What's not mentioned oftentimes in discussion, and certainly not mentioned here, are the fringe benefits. Extrapolate from numbers. The fringe benefits of public workers are 37 percent of the cost of employment. The private sector is lucky if it's 20 percent. We pay for an enormous amount of benefits: 13 paid holidays a year and 14 in an election year—I think you all know where they are on Election Day because right in your manual they say they elect their bosses—21 paid sick days, which can accumulate to be a vast sum of money, and 21 days of holidays. Private sector people are lucky if they get 15 days after 15 years of employment. Sick leave is exploited to a great extent because you don't need a doctor's note; oftentimes you just call in and take a day off, and get paid. So the combined salaries and benefits of public workers exceed, in many instances, those of the private sector. And for them to not be sharing in this process of reducing spending is unconscionable.

"And I want to say once again that I'm not here to single out or bash or use any particular group for a whipping boy. I'm just putting the facts on the table and asking us to be fair with everybody and have everybody equally share in the burden and cost of these financial hard times. It was very astutely said by a previous speaker: much of these hardships that we're enduring now have not been heaped on us because of our own problems or misdoings here. But certainly, the burden of them should be shared on a fair and equitable basis for everybody, and we should be reducing the pay for everyone collecting a government paycheck, not just a select few, especially when that pay cut amounts to pennies in relationship to the cuts that need to be made. Thank you, Madam President."

Senator Slom rose in support of the measure and stated:

"I agree with many of the remarks made by the good Senator from the North Shore that primarily this is symbolic; it's not going to help balance the budget or anything else. But you know, Madam President, I've spoken on this floor before about my real concerns and disdain for the so-called Salary Commission. We had a constitutional amendment several years ago, and the public voted to allow for these Salary Commissions. I don't believe the public fully realized what they were going to get in return for the Commission. The Commission is a stealth way of allowing salaries and compensation to be raised without benefit of any public hearing, without benefit of any public vote, without benefit of any

adjustment. I certainly agree with, again, the Senator from the North Shore that many legislators of both houses take this part-time job and they spend a great deal of time and effort year-round. They work really hard. There was not a salary increase granted and maybe one should have been. But to the extent that it was 36 percent, most people would agree that that was too large, particularly during this period in time. But we never had the opportunity, as I said, of a hearing, of a vote, or to say, 'Well, maybe 36 percent is too large, but maybe 10 percent is okay and justified.' We also, in taking this action in this bill, are taking the action in freezing the salaries as of June 30 of this year. July 1st of the last two years, both the executive branch and the judiciary received handsome salary increases, and they were due to receive yet another one on July 1st.

"So, the whole point is there's something wrong with the whole process. And we should all be up in arms when we talk so much about having hearings and about public input and about transparency, and there is no transparency on the granting of compensation for those in the executive branch, judicial branch and those of us here. So while it is a flawed bill and while it is probably more symbolic than anything else, I will support it and hope that in the future we can look at abolishing the Salary Commissions and being honest about debating whether or not people, want, deserve, and should have salary increases. Thank you."

Senator Kim rose in support of the measure and stated:

"This is one of those measures, damned-if-you-do and damned-if-you-don't. And certainly we can talk all we like about whether or not we should take greater cuts or take no cuts or turn back the raises, but I haven't seen any floor amendments. Certainly anyone here wishing and seriously enough that they could have offered a floor amendment. Instead, we got none. So, with that, Madam President, I will be voting in favor. Thank you."

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

"I want to find out if I heard correctly: Is the Majority party going to hear Republican floor amendments and be willing to consider them in a democratic fashion?"

The Chair then responded:

"Senator Hemmings, we won't know until you try. And since you didn't try, you don't know. I think I have answered your inquiry."

Senator Hemmings continued:

"Madam President, very quickly and incisively so. Congratulations."

The motion was put by the Chair and carried, H.B. No. 1536, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SALARIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Bunda). Noes, 1 (Hemmings).

H.B. No. 128, H.D. 1, S.D. 1:

Senator Taniguchi moved that H.B. No. 128, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Takamine.

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

"Madam President, this bill relates to consumer complaints against regulated businesses. This issue here is whether the public should have the right to know if complaints have been filed against a business regulated by state government.

"I must object to H.B. No. 1212 because it seeks to solve a specific problem by removing from public disclosure potentially all information on certain government records. This bill allows an exception to the open records law that involves nondisclosure of consumer complaints against business persons regulated by government, particularly when a person makes a right to privacy claim to keep the complaints secret. Government regulates businesses to protect consumers and I don't believe government should withhold from consumers frivolous complaints by eliminating potentially all complaints from public review, including those that may turn out to be valid. I believe this bill should not move forward because the concern about frivolous complaints can be addressed administratively. DCCA could implement its website policy and remove all complaints filed over five years ago. The Department can also more clearly advise its website viewers that pending complaints indicate only the fact that the complaint has been filed, which may or may not be worthy and valid. I believe consumers smart enough to find DCCA's website will more than likely understand that a complaint that is pending does not mean that the business did anything wrong.

"Madam President, I would like to encourage fellow Senators to look at this bill from the consumer's point of view. Government regulates businesses to protect consumers, and I believe consumers want to know if fellow consumers have filed complaints against businesses they might want to employ. I urge the Senate to defeat this attempt to open a significant hole in the State's open records law. I believe the public policy of transparency for consumers outweighs the narrow concern about frivolous consumer complaints. Thank you, Madam President."

Senator Hemmings rose in support of the measured and stated:

"I too want to speak in favor of truth, limiting ambiguity, and speak in favor of transparency. And, what is not transparent is the incredible benefit a certain group of our populous gets on election days and how that benefit turns into an in-kind contribution to their selected candidates. And I do know the laws from campaigning myself, that if you receive in-kind goods, you have to report them. But on Election Day, 48,000 people get a paid day off, and they're public union workers. That costs taxpayers well over \$10 million. That's an in-kind contribution of enormous sense.

"I know many good candidates who stand on the side of the road and wave signs in the primary. They confront a great number of people; seeking their votes, they wave at them. In the general election, which falls on a weekday, they have a hard time getting their sign wavers out because they're all at work, but oftentimes their opponent has 10, 20, 30 sign wavers. One of my friends who is running for office and a member of my party, which is struggling—if that's not an understatement, I don't know what is—asked one of his opponent's sign wavers, 'Why are you here? I've never seen you here before. Why are you holding signs?' And the answer was quite honest. He said, 'We got told to.' So this is just another example of how the system is skewed in favor of one special interest group to the detriment of open, honest, transparent government. And so when we pass bills like this, we really should look at the big picture and make it transparent across the board so we really know where the money's going and where the big money's being spent at the cost of the process. Thank you, Madam President."

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

Senator Taniguchi rose to request comments in support of the measure be entered into the Journal.

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

"I am supporting HB 128, HD1, SD1 for the following reasons. The bill as introduced is based on the Campaign Spending Commission's recodification committee. Your Committee on Judiciary and Government Operations made further amendments to recodify current law into new parts and sections to make it easier to read and understand the campaign finance laws. I believe that we will be further revising this bill but at least we are moving in a direction to provide clarification. Your Committee also made substantive amendments including permitting candidate committees to make donations to schools and public libraries from campaign funds without the limitation currently imposed on community donations; allowing a vacancy on the Campaign Spending Commission to be filled from one of two nominations from the Judicial Council and providing discretionary fine amounts in lieu of mandatory fines for violations. I want to note that the last substantive amendment came at the request of the Campaign Spending Commission.

With these amendments and further work on this bill, I believe we will be moving towards a better law that is easier for candidates and the public to understand."

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

The motion was put by the Chair and carried, H.B. No. 128, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 4 (Ige, Ihara, Slom, Tsutsui). Noes, none.

H.B. No. 31, S.D. 1:

Senator Takamine moved that H.B. No. 31, S.D. 1 pass Third Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure and stated:

"This bill would create a new discriminatory practice against employers, those employers that use credit history checks as a means of being one tool for hiring or discharging an employee. We, by passing this bill, raise this practice to the level of discrimination by race, color, creed, national origin, and so forth, and create another opportunity for attorneys to sue. It was testified to that of course there are a number of occupations that require that credit history be not only checked, but also be taken into consideration. And so the bill was amended to exempt those who are employed pursuant to any federal or state law and also with any occupation that has to do with federal financial requirements. However, what does that do to employers who have employees in other areas, particularly in these difficult economic times, particularly as the retail merchants testified, where you have a lot of people—non-supervisory, non-mandatory—that are handling money and cash all the time? While there are opportunities for misuse of this information and while we are all familiar with identity theft right now, there is an opportunity to explain any kind of conditions. But for an employer not to utilize all tools at hand and take all of this information into consideration, I think, is criticism of the employer. What we're trying to do is interfere with that hiring process.

"Now there is one other amendment that was made to the bill in its current form, and that says that you can look into the credit history of any employee, but only after an offer of employment has been made. Now if you make an offer of employment to someone, then you check the credit history and it is such that it would be a red flag for any prudent person, and then you try to deny that person that employment history, that

person will also seek an attorney and go after you because you have a bona fide contract for employment. So, for these reasons, Madam President, let's stick with the laws that we have for real discrimination and allow employers to do their business in hiring and firing. Thank you."

The motion was put by the Chair and carried, H.B. No. 31, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Hemmings, Slom). Excused, 2 (Galuteria, Tsutsui).

H.B. No. 200, H.D. 1, S.D. 1:

Senator Kim moved that H.B. No. 200, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Hemmings rose in support of the measure and stated:

"In your wisdom and knowing all the transparent position you hold, I think you realize that I share apprehensions about this budget and voted, I believe, 'no' in WAM. After hearing myself speak so eloquently about it, I decided to vote 'no.' One of the reasons I am, Madam President, is because, rest assured, know that I want to be on conference committee and so it would be definitely difficult to be on such, and I've just been informed that amendments from Republicans will be eagerly looked forward to. So we hope they'll be democratically considered. So, thank you, Madam President.

"This budget comes at a very difficult time when the State should be reducing spending to really balance the budget. And as with all economies, you cannot escape the immutable truths about supply and demand, regarding spending and revenue generating. And we do have targeted cuts in this budget. But when you look at the big picture, there's no doubt that there has to be dramatic tax increases somewhere to do what the Constitution mandates us to do: balance the budget, which is a good mandate. I would like to suggest the first thing people do is say, 'Well okay, what program do you want to cut?' Do you want to cut aid to the *keiki*? Do you want to cut aid to the sick and elderly, which has been done in the past to balance budgets? Tell us what program you want to cut. There really is a huge opportunity that we have been speaking about for years to make this budget more cost-effective and accountable. We advocated, way back in 2004, to restructure public education. The budget for the department then was \$1.7 billion a year. It's now \$2.4 billion. The DOE balked, and there was literally a threat from the head of the Department of Education; Patricia Hamamoto said to give her the money and she would be held accountable and do a better job—I think is what she told us here. Well, we did and she didn't. We don't know where the \$2.4 billion goes because the Department of Education hasn't been audited. I would suggest to the Superintendent of Education: If does she want to close something to save money, don't close the schools. Close the Department of Education and save a huge amount of money. But we'll never know because we don't know exactly where the money goes, and I would suggest that they don't either because they have not had a management audit since 1974.

"We know we can cut money on incarcerating prisoners, and there's a very positive thing being done about that. We can release and with technology monitor, prisoners who don't pretend to be, nor are they, an immediate threat to the health and welfare of the people. We know that sending prisoners to Arizona cuts the cost in half for incarcerating them. Yet, we want to bring prisoners home, adding to the cost of the budget. We know—and excuse me for using this blasphemous word on the floor—we know that the private sector through something called 'privatization' can do a public service oftentimes quicker, faster, and for less money. And I'll give you an example

because we're headed in that direction now, not because we want to, but because we have to. And that's privatization of the state medical hospitals. And you've heard those arguments for the last 3 or 4 years now, of how the CON process protects the government monopoly on hospitals to protect certain jobs at the expense of health and safety and cost to all taxpayers.

"So this budget is an honest effort, and I do commend the Chairman of the Ways and Means Committee on trying to balance a very difficult situation because income has plummeted and costs remain the same. But over the long haul, the real solution is to give the people back the power to control their destiny economically without increasing taxes. And to put out a state budget that for once cuts spending, it's important to note that the economy grows sometimes 2, 3, 4 percent a year; if we're real lucky, 5 or 6. It's stagnating now and that's why we call it a recession. But down to the years with single digit growth of the private sector economy that pays the taxes that employs everybody, the state budget has oftentimes grown 2 or 3 times the rate of the private sector. And I would suggest to you that over the long haul, it will lead to bankruptcy. It's not a new thought. It's like many things in life. The exercise we're going through here has been done through the millenniums of societies or governments, and leaders try to make things happen.

"I'd like to quote from one of my favorite reading materials. I won't tell you where my favorite place is to read it, but it's one of my favorite reading materials: the Small Business Hawai'i tabloid. 'The budget should be balanced. The treasury should be refilled. Public debt should be reduced. The arrogance of officialdom should be tempered and controlled. And the 'assistance'—and this doesn't apply here but it worthy of reading for national government—'to foreign lands should be curtailed lest Rome become bankrupt. People must again learn to work instead of living on public assistance.' Cicero, 55 B.C.

"This budget is a budget that is necessary and I'm voting in favor of it so hopefully some voices of moderation can be heard in the conference committee. But nevertheless, it continues the formula of fattening up the general fund for the purposes of some special interest groups and to the detriment of everyone, including those special interest groups that pay some of the highest taxes in the nation to fund it. So, I'm hoping as this session goes on and we get near the adjournment sine die, that we'll take further consideration of alternatives to taxing and spending, because it will never buy our way back to economic prosperity. Thank you, Madam President."

Senator Kim rose in support of the measure and stated:

"Madam President, before I speak on the specifics of the Senate draft of H.B. No. 200, I take this opportunity to acknowledge a number of people. Madam President, chairing WAM for the first time during the worst budget deficit in our state's history, coupled with a completely new Ways and Means staff has been very challenging, and many have asked me why would I want to do this at this time, but I've always loved a good challenge, Madam President. I was very fortunate to be able to entice back to the Senate to help on the budget some very capable individuals. They were able to get me up and running right from Day One. Their tireless efforts, their long hours, and essentially no social life were fundamental to the development of our proposed state financial plan and budget. The Ways and Means staff is led by Brian Hallett, our committee coordinator; I would ask if he would rise, Brian? And members you can save your applause to the very end because I'm going to introduce them all. I think they deserve it. They worked very hard. The budget chief, Rod Becker. Ross Tsukenjo, my bills chief. The three of them, Madam President, colleagues, have been valuable to me throughout this entire process, and I thank them very much. Also, our capital improvement program specialist, Keira Kamiya; she's not here

today. The budget analysts are Jenae Barona, Brian Davies, George Gray, Jennifer Larson, Mona Maehara, Susan Maracle-Sweeny, and Stacy Ogimi. Bill researchers: Victoria Corkhill, Robert Tassie who is on funeral leave today, Anthony Valdez, and Cathy Yasuda. My office staff, also new to the Legislature, Madam President, played an integral role in supporting the work of the Committee. My office manager, Gina Williams. My committee clerk, Debbie Hiramoto, here on the floor. Arline Gorkan, WAM clerk. And our legislative aides: Francis Nakamura, Elizabeth Narkon, Hiroku Nakamura, and we have one volunteer, Kalani Koko Abrams. All of them, Madam President, colleagues, have worked weekends, late into the night, and I really have a profound respect for all past WAM staff and for this staff. I give you all a round of applause. Thank you.

“Madam President, I also would like to thank the members of the Ways and Means Committee, and especially my Vice Chair from Maui, Senator Tsutsui. I also thank the members of the House, representatives of the many executive agencies, and the numerous members of the public whom I’ve met both individually and collectively. I’m also appreciative of all of your input from members, the countless phone calls and e-mails my office have received that have conveyed both support and concern for the various state programs. And finally, my thanks to you, Madam President, and your staff for your assistance. And I also want to thank the two former WAM Chairs for their guidance throughout this process.

“Madam President, we are well aware there are many competing needs with limited state resources. An examination of the Governor’s proposed budget and that proposed by the House of Representatives could not make this more apparent. To balance their financial plans, both found it necessary to reduce certain programs and services that many find important. Various revenue measures, further budget reductions, the availability of federal stimulus funds, and state special funds have allowed your Committee to respond to calls to restore funding for Adult Dental Services, Partnerships in Community Living, Healthy Start, respite care, the Disability and Communications Access Board, the State Health Planning and Development Agency, and Career Kokua. In order to help fund these programs, the Committee employed a number of techniques to locate general fund savings. In addition to accepting most reductions proposed by the Governor, starting in fiscal year 2010, 105 vacant positions beyond those proposed by the Governor will be reduced, resulting in a savings of \$4.7 million.

“At this point, Madam President, I must correct an error reported by one of the major newspapers that we eliminated 315 field positions in this measure. The majority of the 315 positions reported on are in fact vacant. A very limited number of filled positions are being reduced on our draft. They include 17 exempt positions that result in \$1.2 million in savings. Most of the filled positions proposed for reduction are 42.5 positions related to the State’s occupational safety program. However, this reduction does not take effect until fiscal year 2011 and will allow us time to transfer this program to federal jurisdiction. Fifty-four positions equaling \$19 million will be shifted to non-general funds for additional general funds savings. We also identified \$7.6 million that was budgeted in excess of the requirements needed for out-of-state inmate contract. And a number of other adjustments were also made in an effort to reach the Governor’s 20 percent target reduction amounts to discretionary spending.

“Madam President, the availability of federal stimulus funds under the American Recovery and Reinvestment Act of 2009 has allowed the Committee to provide a higher level of support for education than afforded by the Governor. The vague details of the Governor’s financial plan have left the Committee unable

to accept some of its proposals. Of note is the \$278 million in savings targeted to be achieved through savings in collective bargaining agreements. It is unclear how this late-coming proposal would attain such savings. Further, the lack of a Governor’s message to adjust the proposed budget by this amount leaves the Committee unsure of the seriousness of this proposal.

“Your Committee also made a conscious effort not to raid the Hurricane Relief Fund and the Emergency Budget Reserve Fund in the State’s financial plan. At this juncture, we were able to balance the budget without relying on these funds, but that could change in conference. If it does, we must be mindful of not exhausting the rainy day fund that may be needed should the financial condition of the State further deteriorate.

“Though no one can really say with certainty how the economic downturn will continue to unfold, responses to a recent survey of my community were unanimous that Hawai‘i has not seen the worst of it yet. Speeches made at the start of the legislative session stated that it would not be business as usual, and that people would be walking across the aisle to work together on the fiscal situation confronting us. Indeed, most have worked together in this spirit, and for that I am truly appreciative. And I encourage those who have not yet participated in this spirit to join us, to stop unnecessarily limiting options and to stop attempting to pit the House against the Senate or divide neighbor islands against O‘ahu. We in the Senate pledged early on to keep all options on the table and we have done that. Yeah, it might have been with a lot of ‘with reservations’, Madam President, but we’ve done that. We’ve moved out all of our revenue measures, including the GET, and hopefully by the end of today we will send most of the House’s revenue bills into conference.

“Madam President, your Ways and Means Committee has earnestly considered all recommendations received throughout the process of developing this budget. Colleagues, the measure before you strives to address your priorities, the desires of the community, and the concerns of the executive. We all knew at the beginning of this session that expenditures would have to be cut and some tough choices would have to be made. And although there are no tax increases in this bill, our financial plan does identify revenues to support this budget. Despite the need for cuts, many of you asked for additions, and each somehow expected someone else’s budget would be cut. And no matter how non-core a function may be, there will always be a group somewhere vehemently opposed, and the knee-jerk reaction is to put it back in. But what do we cut in its place? ‘Just find more revenues,’ you say. Okay, but we said ‘no’ to gambling and ‘yes’—you did say ‘yes’—to a possible raise in the GET. However, the House said ‘no’ to both, while the Governor promised she would veto a GET increase. We even tried borrowing the transit surcharge from the City, as you, Madam President, and our good Senator from Mānoa proposed. But the Mayor opposed that, too. And so, with limited revenue bills and a growing deficit, the Committee had no option but to consider the House’s bill retaining the entire transit accommodation tax, which I might add, would provide the Hawai‘i Health Systems Corporation \$30 million each year of the biennium to support its hospitals and the lion’s share of which would be needed by neighbor island facilities.

“So, Madam President, colleagues, the time for tough choices is upon us. I urge you to join me in supporting the product of our shared efforts to shape a responsible expenditure plan that enhances government efficiency and minimizes impacts to vital state services. Thank you, Madam President.”

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

“First of all, I too would commend the Ways and Means Chair, the Committee, and the staff for their hard work. I can say that this probably without a doubt has been the most difficult budget that we’ve had to work with in anyone’s memory. And I commend the Chair because of the transparency that’s gone into the budget. But it is a big budget and there are other bills—tax bills and others—and I am one of those voices that says that really, if we want to genuinely improve the economy and standard of living for everyone, then it is a question of enhancing the business climate, the investment climate, so that more people are willing to do business, create jobs, pay salaries, stay in business, and make a profit in this state. And if I had my way, we would revert to a zero-based budget so that every two years we would start from zero and have to put back each point, point by point. Part of the problem is—and the Ways and Means Chair indicated this—everyone has their pet projects and they say, ‘Well, I’m all for cutting, except for this project and that project.’ And, of course, that highlights the problem that we’ve had year after year and that is: We continue to add new programs, new offices, and more money to existing programs even though we don’t hold them accountable. I don’t think that we’ve done as good a job as we could in terms of absolute prioritizing because we’re not looking at this from a business model, an investment model. We’re looking at it from a political model.

“So we will go into conference committee, and we’ll see what happens there. The only problem is for the public: there’s no input from the public in the conference process. Most of us, even if we’re on the committee, don’t see any action until the very last moment when a conference committee draft is proposed.

“In all of this, we’re still overlooking the fact that all of the money, all of the revenue, doesn’t come from the people in this room, in this hall; it comes from the taxpayers, the families, the small businesses out there. And I think it disingenuous that we talk about holding the line and making serious cuts as we’re proposing here in the budget when in the other bills we’re seeking new tax increases, more mandates, more prohibitions, more regulations. And in fact even the so-called ‘stimulus funds,’ which I look at as greater debt for all of us, as I’ve pointed out before, the stimulus bill itself is 1,000 pages but there are 66 pages of prohibitions and restrictions and mandates as to what the state must do, what the departments must do, and some of those mandates may not be in our best interest. And now we’ve seen in the last couple days that some of the institutions that have already been the recipients of stimulus money have tried to give it back and they were denied by the federal government. Others tried not to accept it. And they were told by the federal government, ‘You will accept it, and you will accept our rules.’ And so, in a state that is so much concerned about sovereignty, I think we have to be extra careful that we don’t give away even more of our sovereignty for the lure of federal dollars, all of which—federal dollars, state dollars, county dollars—all come from the same pockets of the hardworking men and women in this state. Thank you, Madam President.”

Senator Hooser rose in support to this measure and stated:

“I want to just add my accolades, if you would, for a moment, to the Chair of the Committee and the Vice Chair. I think the Chair did an excellent job steering the Committee through some very turbulent waters. And the Committee members themselves also, through these discussions, have come to realize that it’s not all about what we’re going to pay for, but it’s also about how we’re going to pay for it.

“You know, I would be less than honest if I said I liked it all, and I don’t. I think most of us have some mixed emotions on this. We prefer less cuts to our particular subject matter preferences. I’d prefer that we would’ve supported human

services, education, environmental programs more, prefer not to raise taxes, but then I realized, Madam President, colleagues, that we cannot have it all. And I think to vote here in support of the budget and to vote against the revenue components that we’ve already had on our agenda is somewhat disingenuous because we cannot—we cannot—do what we’re proposing to do here without making some of those hard revenue choices. So those throughout this chamber who are not supporting those, I encourage you to reconsider and give it some serious thought on how we’re going to pay for this, or else go to the Chair and express what areas of the budget you’d like to further cut rather than raise those taxes or raid those funds.

“There’s some very difficult choices we have the make. The Governor’s made some of those choices. The House has made some of those choices. And now we move forward to reconcile our differences. Like everyone here the past 3 months, you know, my door has been full, my office has been full, a line extending out the door sometimes. People lining up to say, ‘No, don’t cut my program. Don’t cut my job. Don’t cut the environment. Don’t cut education. Don’t cut human services. Don’t cut business. Don’t cut high tech tax credits. You name it; everyone says, ‘No, no, no, no.’ Very few have come and said, ‘You know, I understand. You folks have to cut some. Please cut me a little bit and save these important parts.’ And I know the Chair and the Committee is very grateful to those departments and those programs who have taken that approach and helped us make these tough decisions. You know, so we have to make these tough decisions. Some would say that we can’t. Business cannot pay a price, tourists cannot pay a price, wealthy cannot pay a price, but it’s okay for the mentally ill, schools and libraries, health and human services to pay the price. But this budget, I believe, spreads the pain, spreads the benefits throughout and, President, colleagues, given the circumstance, this budget and related bills does attempt to spread those impacts throughout. I encourage everyone to vote in support, and before I close, I want to add my accolades also to the staff of the Ways and Means Committee who are the audience today. I’m here late and I’m here early, and usually there’s someone from Ways and Means working before I get here and working after I go home. And they burn the midnight oil. They’ve done above and beyond the call of duty, and for the record, they’re all public workers, and I think we should applaud them and I encourage my colleagues to vote in support. Thank you.”

The motion was put by the Chair and carried, H.B. No. 200, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE STATE BUDGET,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 1 (Slom). Noes, none.

Stand. Com. Rep. No. 1228 (H.B. No. 1362, H.D. 1, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1228 be adopted and H.B. No. 1362, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure and stated:

“There’s no question that genetics, genetic engineering, and everything to do with genetics is extremely important nationally, as well as locally. As far as creating another licensing program, however, it’s my understanding that the legislative auditor said that this is unnecessary. And I think we should be looking at things if they’re unnecessary, we should not be doing them at this time. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1228 was adopted and H.B. No. 1362, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO GENETIC COUNSELORS,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1236 (H.B. No. 1417, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1236 was adopted and H.B. No. 1417, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOBILE BILLBOARDS," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1237 (H.B. No. 1642, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1237 was adopted and H.B. No. 1642, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PURCHASES OF HEALTH AND HUMAN SERVICES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1238 (H.B. No. 643, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1238 be adopted and H.B. No. 643, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Takamine.

Senator Slom rose in opposition to the measure and stated:

"Certainly, I think we should all be concerned about illegal immigrants working, whether it's in contracting or anything else. This bill penalizes contractors however; singles them out and allows for revocation or suspension of their license, putting the burden of proof on them rather than the burden of proof on illegal immigrants. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1238 was adopted and H.B. No. 643, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1245 (H.B. No. 1763, H.D. 2, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1245 be adopted and H.B. No. 1763, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Galuteria rose in support of the measure and stated:

"Colleagues, this bill repeals the Hawai'i Tourism Authority and establishes a Department of Tourism to replace it. As a veteran of the travel industry, please know that this action is not contemplated without due consideration. Furthermore, as a freshman in this esteemed body, even I know that the creation of a new state department is a drastic measure. However, as legislators, we're tasked with asking the hard questions and making the hard calls. And during these trying economic times, it's doubly important to take those measures of accountability and recalibrate, if necessary, and therein lies the basis for my comments.

"So colleagues, I'm convinced of the necessity for much greater industry accountability after sitting through numerous hearings in Chair Nishihara's Tourism Committee where I asked time and time again the same questions: 'Who runs tourism? Who's in charge? Who's accountable?' As straightforward as these questions seem, they were not answered simply or succinctly by any of the top players of the industry. But ironically after further review, it wasn't due to their perceived evasiveness; I suspect the fundamental make up of visitor industry accountability is in question. As an example,

our state Tourism Strategic Plan 2005-2015 indicates, as its strategic framework, nine areas or strands of responsibility that range from access—which is the maintenance and improvement of all access points to and from and within Hawai'i, that's the airports and harbors and so on—to marketing, natural resources, research and planning, safety and security, Hawaiian culture, tourism product development, communications and outreach, and workforce development. The Hawai'i Tourism Authority is recognized as the lead agency in three of these strands and support agency for the rest. However, the HTA has asked to be the sinew or the facilitator of discussion between the other designated lead agencies—DLNR, DOT, DLIR, and the State Foundation on Culture and the Arts. Now they do this via the board of directors where the agencies sit as ex-officio members. Now in a perfect world, dialogue that affects the industry would be engaged on that table. In fact, however, quite often these ex-officio board members did not even attend the board meetings. There is little to suggest that initiatives, such as the DLNR's Recreational Renaissance or DOT's airport or harbors modernization initiative, entered into any meaningful dialogue with the travel industry. They could have, perhaps, but there's nothing on record for review. So the question arises once again, where's the accountability?

"Repealing HTA and creating the Department of Tourism is not meant to be or intended to be a short-term fix. Colleagues, it will be setting the foundation for a healthy and strong tourism industry which is vitally important to our state's financial well-being far into the future when none of us are here, and none of the current leaders in the travel industry will be here either. Furthermore, I'd like to clear up any obvious confusion that might arise as a result of having this measure proposed while simultaneously advancing several other measures that were intended to strengthen the HTA. Systematic accountability requires immediate action and the other measures, H.B. No. 754 and H.B. No. 960, would provide a vehicle to drive us in that direction until we can institute a more permanent, strong and viable solution. Moreover, a new Department of Tourism would not be up and operational in timely enough a manner to face head-first the current, serious tourist-related difficulties. But, it does prepare for a new administration to develop a department for the major industry in our state.

"In closing, I'd like to propose a question that perhaps you might feel is a little glib, but if we must have a Department of Agriculture, then why wouldn't we have a Department of Tourism? We have 15 state departments and agencies, and tourism is tucked neatly into one of them almost as an afterthought. That is not acceptable. Tourism is Hawai'i's economic engine and it deserves to have a seat at the big table, represented by a cabinet-level official. As I see it, along with several other colleagues, this is the best step that we can take to ensure that the central questions—Who runs tourism? Who's in charge? Who's accountable?—can be answered. And the answer, we have before us, colleagues, it's called the Department of Tourism. For these reasons, I strongly support H.B. No. 1763, H.D. 2, S.D. 1 and I urge you to support it as well. Thank you, Madam President."

Senator Slom rose in opposition to the measure and stated:

"I, too, attended the hearings in the Tourism Committee and listened to the debate and the discussion, and I can say in full disclosure, years ago I was in opposition to the creation of the Hawai'i Tourism Authority. It's just something in my DNA; I don't like the word 'authority,' you know, involved in this organization. But the industry wanted it, those in government wanted it at the time, and they wanted an independent body staffed by and volunteered by those professionals within the industry. They felt that was much better than a government department telling the industry what to do.

“I think, generally speaking, the HTA has proven itself quite well in most instances. I recall, however, that a number of years ago, there were problems with the Board not getting information, or the Board not being diversified, the Board not attending certain meetings. And to some extent that has been rectified, but we still have a problem with people that have not participated fully. But I view this kind of legislation as announcing that you’re going to replace the basketball coach during half-time of the big game. Even though a proposed Department of Tourism won’t be up and running for some time, this sends a message, not only to the employees and leaders and volunteers in the HTA, but also to the industry that we’re trying to stabilize and trying to enhance. If the state government doesn’t have credibility with or support of the HTA, then those vendors and those people that the HTA does business with will not have that support and credibility also. So I think that this maybe something that we want to look at and probably determine later on. I don’t think this is the time to do it and I don’t think putting this all under government is the way to go. I think we heard in some of the comments, the political ramifications of doing this, rather than allowing the semi-autonomous or independent status of the HTA. I think what we should be doing is rectifying those areas that we feel are not being done properly, taking a very close look at the funding and the marketing programs and all that, but without a doubt, without this industry as strong as it can be, all of us suffer because it is Hawai‘i’s number one industry. I don’t see any savings that have been proposed. I don’t see any more effectiveness or productivity by having it state government. The HTA still comes to the big table, they still have the influence, they still have the ability to turn the industry around, and I think we should give them our support. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1245 was adopted and H.B. No. 1763, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1247 (H.B. No. 899, H.D. 1, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1247 be adopted and H.B. No. 899, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

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

“I think that we need to take a much closer look at the OHA budgeting and OHA expenditures, and I’m particularly troubled by the portion in the bill that allows for OHA to issue revenue bonds without any oversight or jurisdiction by the State Legislature. Let’s remember if we can: OHA is a state agency, and OHA should be subject to the same requirements as any other state agency. And we usually put these other agencies under a great deal of scrutiny particularly when it comes to finances, but we let that slide with OHA, and I think it’s time that we take a closer look and have more transparency. Thank you.”

Senator Hemmings rose in opposition to the measure and stated:

“You know, we’re all sharing in these problems that we face in the state, and everybody has to tighten their belts during this and raid funds and oftentimes raid human service programs, and cut back on programs that literally help the sick and the hungry and those in most need in our society. And the good Senator from Hawai‘i Kai is exactly right. OHA is a state agency, and I’m very pleased that the very astute Chairman of the Ways and Means Committee saw fit in certain areas to have OHA pay for

more of its own management running through its own resources.

“But I should point out to all of us that there are a number of targeted Hawaiian programs that are not paid for by OHA, including Department of Hawaiian Home Lands; and it’s important to note that the Office of Hawaiian Affairs is sitting on over \$300 million in trust assets. These assets are very clearly and fairly set aside to benefit the Hawaiians, and they should, and they should, through the budget process. So, you were looking for ways to better improve the budget without necessarily having to raise taxes. My suggestion would be, quite constructively, to have the trust fund help pay for Hawaiian programs, including Department of Hawaiian Home Lands. Clearly, that’s what that money’s supposed to do—benefit the Hawaiians—and clearly it should, and this would be a huge savings because many programs that are currently benefitting specifically the Hawaiians are being funded through A Funds or other special funds. So, with that in mind, I think this is an opportunity to have this budget be more accountable to the larger picture here in Hawai‘i. That is my suggestion. Thank you, Madam President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1247 was adopted and H.B. No. 899, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Slom). Noes, 1 (Hemmings).

At 12:01 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:39 p.m.

Stand. Com. Rep. No. 1248 (H.B. No. 1175, H.D. 3, S.D. 2):

Senator Tsutsui moved that Stand. Com. Rep. No. 1248 be adopted and H.B. No. 1175, H.D. 3, S.D. 2 pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose in opposition to the measure and stated:

“I oppose it because it’s a tax increase. I oppose it because it is another bill aimed at people who are becoming more and more of a minority in this state: cigarette smokers who are involved in a legal activity. And yet, we’re taxing them to the brink where they will not purchase their products here, thus hurting also those retailers that deal in these products. And we do it just enough; we just raise the tax enough each year so that they continue to provide revenue for other services. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1248 was adopted and H.B. No. 1175, H.D. 3, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAXATION,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 1 (Slom). Excused, 5 (Bunda, English, Kim, Sakamoto, Takamine).

Stand. Com. Rep. No. 1249 (H.B. No. 1371, H.D. 1, S.D. 2):

On motion by Senator Tsutsui, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 1249 was adopted and H.B. No. 1371, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HEALTH CARE,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, none. Excused, 5 (Bunda, English, Kim, Sakamoto, Takamine).

Stand. Com. Rep. No. 1251 (H.B. No. 111, S.D. 2):

On motion by Senator Tsutsui, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 1251 was adopted and H.B. No. 111, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE SALARIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, none. Excused, 4 (Bunda, Kim, Sakamoto, Takamine).

Stand. Com. Rep. No. 1252 (H.B. No. 179, S.D. 2):

On motion by Senator Tsutsui, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 1252 was adopted and H.B. No. 179, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL FACILITIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, none. Excused, 4 (Bunda, Kim, Sakamoto, Takamine).

Stand. Com. Rep. No. 1254 (H.B. No. 895, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1254 be adopted and H.B. No. 895, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Hooser rose in support to this measure with reservations and stated:

"Madam President, colleagues, I have no problem raising the taxes on most of these products—the ones that are targeted toward children, the flavored cigarettes, the new methods of delivery that the tobacco companies have come up with to deliver nicotine. If we tax some of those very bad products out of existence, I would be okay with that.

"There is a subcategory in this; that is hand-rolled cigars made from locally-grown tobacco on Kaua'i and I believe other places in the state. It's a specialty product. It's aimed at adults. It's more of, again, a specialty product; it's definitely not marketed to children, and I'm hoping that the conference committee will consider making this a separate category, and raise the taxes as they must but perhaps not as much as the other products. So, therefore, I am expressing a vote of reservations. Thank you."

Senator Slom rose in opposition to the measure and stated:

"Unlike the previous speaker, I do take umbrage with raising the taxes, and this tax is particularly onerous on tobacco products other than cigarettes. It raises the tax to 60 percent of the wholesale price this year, then it goes to 70 percent, then in two years goes to 90 percent. It's confiscatory taxation and it doesn't allow for any alternatives to legal tobacco use. Thank you."

Senator Baker rose in support of the measure and stated:

"Madam President, statistics have shown us that when we raise the tax on cigarettes it has a deterrent effect, particularly among young people. The similar will be true on snuff and assorted other tobacco products that are just as harmful to a person's health. It's also been shown that if there is a precipitous rise in the tax on one product and not on the other, that you're just shifting people over to that other product. This is an attempt to level the playing field with similar taxes on all of these products that have a deleterious effect on peoples' health. Thank you, Madam President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1254 was adopted and H.B. No. 895, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAX ON TOBACCO PRODUCTS OTHER THAN CIGARETTES,"

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

Ayes, 22. Ayes with Reservations, 1 (Hooser). Noes, 1 (Slom). Excused, 2 (Bunda, Sakamoto).

Stand. Com. Rep. No. 1255 (H.B. No. 1204, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1255 was adopted and H.B. No. 1204, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1258 (H.B. No. 1676, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1258 was adopted and H.B. No. 1676, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1259 (H.B. No. 574, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1259 was adopted and H.B. No. 574, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1260 (H.B. No. 960, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1260 was adopted and H.B. No. 960, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1261 (H.B. No. 991, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1261 be adopted and H.B. No. 991, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"Yes, thank you, Madam President, I'm voting 'no' on this because of the creation of a new special revolving fund. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1261 was adopted and H.B. No. 991, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1266 (H.B. No. 36, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1266 was adopted and H.B. No. 36, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1267 (H.B. No. 1166, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1267 was adopted and H.B. No. 1166, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PASSENGER FACILITY CHARGE SPECIAL FUND," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1268 (H.B. No. 541, H.D. 1, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1268 be adopted and H.B. No. 541, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"What this bill would do is to extend civil service benefits and coverage to those that, in fact, have not yet been covered by civil service. I think it's premature, and if they become civil service employees, then they can get the benefits there, too. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1268 was adopted and H.B. No. 541, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE PERSONNEL," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1270 (H.B. No. 317, H.D. 1, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1270 be adopted and H.B. No. 317, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"Primarily, I don't object to having a mobile medical van, but I think that it clearly is an inappropriate use of the homeland security funds for this purpose, and in fact may be challenged later. Thank you."

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

"Having mobile medical vans and providing extra care is good, especially in rural areas, but we have to be careful that it not distract us from the greater job at hand, which is stabilizing the health care system, and we do have some very comprehensive legislation to do that. I think that people sometimes get the wrong ideas when they hear that we've solved the problem with a quick fix or we're just putting our thumb in the dam, but this will really provide only very minimal care as compared to our community hospitals on the neighbor islands. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1270 was adopted and H.B. No. 317, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOBILE MEDICAL CARE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Ayes with Reservations, 1 (Green). Noes, 1 (Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1271 (H.B. No. 183, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1271 was adopted and H.B. No. 183, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1272 (H.B. No. 371, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1272 was adopted and H.B. No. 371, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1274 (H.B. No. 519, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1274 was adopted and H.B. No. 519, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INMATES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1275 (H.B. No. 982, H.D. 3, S.D. 1):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1275 was adopted and H.B. No. 982, H.D. 3, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY LEAVE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Bunda).

Stand. Com. Rep. No. 1276 (H.B. No. 983, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1276 was adopted and H.B. No. 983, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1277 (H.B. No. 994, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1277 was adopted and H.B. No. 994, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1278 (H.B. No. 1405, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1278 be adopted and H.B. No. 1405, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"I oppose this bill as I've always opposed this bill. This bill not only is an increased tax on the consumers of Hawai'i, but now it's no longer a backdoor tax on the Internet. It's a full frontal attack on the Internet. It's not just a question of trying to recapture tax funds that are due us, but it is an entirely new direction of all of the states and the federal government looking at the Internet because it's so popular and because it offers true choice and alternatives for consumers all over the country. So the immediate response is, 'Let's tax it and let's tax it well.' I think it's a mistake. I think it's going to be costly to our residents, particularly. Thank you."

Senator Fukunaga rose in support of the measure and stated:

"I rise to speak in support of this measure and to correct some of the comments that were made by the prior speaker. On the contrary, this bill is really seeking to level the playing field for Hawai'i retailers, and the bill in its original form would have sought to capture those e-commerce sales taxes that would accrue through what is commonly known as 'click-throughs.'

So if you have a local website and you redirect traffic from your website to other retailers like eBay or Amazon.com, then you as a small, Hawai'i e-commerce retailer receive affiliate fees from the larger, Internet web retailer to assist you in defraying the costs of your website. However, the Streamlined Sales and Use Tax Project is really an effort to help states collect all use taxes on out-of-state purchases, so unlike the situation that the prior speaker was referring to, we have amended the bill to provide a more comprehensive means of collecting use taxes on catalog sales, direct mail, as well as e-commerce. For those reasons, I would urge my colleagues to vote in support of this measure. Thank you."

Senator Hemmings rose in opposition to the measure and stated:

"In talking about 'clicking,' I would imagine in the future, with us heading towards an economy that's worldwide through the Internet and goods and services being provided by off-shore countries and businesses, that people will very easily click through to buying their airline ticket, for instance, through New Zealand or buying their Land's End shirt directly from China, and therefore we will not collect any taxes. So, this may be a huge step in the wrong direction for balancing the playing field to the advantage of our foreign economies and foreign competitors. Thank you, Madam President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1278 was adopted and H.B. No. 1405, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1279 (H.B. No. 1016, H.D. 2, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1279 be adopted and H.B. No. 1016, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

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

"This is our annual bill where we pay off people. I would still urge—because as the bill goes further, the amounts get larger—that we look at the individual expenditures much closer, and that we urge in many cases that action be taken rather than just settle or pay people off. Otherwise, we are in the tradition of the Somali pirates where we have things taken and we simply pay for them. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1279 was adopted and H.B. No. 1016, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 1 (Slom). Noes, none.

Stand. Com. Rep. No. 1280 (H.B. No. 1611, H.D. 2, S.D. 2):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1280 was adopted and H.B. No. 1611, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LABELING OF MEAT AND FISH PRODUCTS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 1281 (H.B. No. 1273, H.D. 1, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1281 be adopted and H.B. No. 1273, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure and stated:

"This bill is back again, the so-called 'clothesline' bill. And while it was amended and is not as onerous as it was last year, it still interferes with contracts and with associations and communities who want to regulate their own sense of appeal. And while I certainly don't discourage the use of clotheslines, I do discourage the use of government intervention in private contracts. Thank you."

Senator Kidani 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. 1281 was adopted and H.B. No. 1273, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Kidani). Noes, 1 (Slom).

Stand. Com. Rep. No. 1282 (H.B. No. 28, H.D. 1, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1282 was adopted and H.B. No. 28, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DEAD HUMAN BODIES," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1290 (H.B. No. 395, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1290 was adopted and H.B. No. 395, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY LEARNING," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1292 (H.B. No. 610, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1292 was adopted and H.B. No. 610, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SCIENCE AND TECHNOLOGY," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1294 (H.B. No. 863, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1294 was adopted and H.B. No. 863, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ESTABLISHING A COUNTY TRANSIT ORIENTED DEVELOPMENT INFRASTRUCTURE REVOLVING FUND," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1295 (H.B. No. 989, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1295 was adopted and H.B. No. 989, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN'S HEALTH CARE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 1298 (H.B. No. 333, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1298 was adopted and H.B. No. 333, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1299 (H.B. No. 694, S.D. 2):

On motion by Senator Tsutsui, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 1299 was adopted and H.B. No. 694, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kim).

Stand. Com. Rep. No. 1300 (H.B. No. 1098, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1300 was adopted and H.B. No. 1098, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL ASSISTANCE," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1301 (H.B. No. 1284, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1301 was adopted and H.B. No. 1284, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1302 (H.B. No. 1354, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1302 was adopted and H.B. No. 1354, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1303 (H.B. No. 1471, H.D. 2, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1303 be adopted and H.B. No. 1471, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"I'm all for the food certification pilot program, but it does establish yet another new special fund. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1303 was adopted and H.B. No. 1471, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FARMS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 1304 (H.B. No. 1525, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1304 was adopted and H.B. No. 1525, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1305 (H.B. No. 1831, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1305 be adopted and H.B. No. 1831, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"I support the bill, everything about the military affairs, but not the special fund. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1305 was adopted and H.B. No. 1831, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MILITARY AFFAIRS," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1309 (H.B. No. 1504, H.D. 1, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1309 be adopted and H.B. No. 1504, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

"We continue to talk nationally and locally about universal health care. If any state has the closest thing to universal health care, it's been Hawai'i for more than 35 years. It's not universal health care that will solve our health problems, and universal health care is only a convenient way of transferring who gets to pay. If we're concerned about making reforms and changes within health care, then we should pinpoint and focus on those changes. But just having additional spending, taxation and shifting the burden of payment under universal health care is not going to improve the system. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1309 was adopted and H.B. No. 1504, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 1310 (H.B. No. 1491, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1310 be adopted and H.B. No. 1491, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senators Tsutsui 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. 1310 was adopted and H.B. No. 1491, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ETHANOL FACILITY TAX CREDIT," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Ayes with Reservations, 2 (Hooser, Tsutsui). Noes, 2 (Hemmings, Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 1312 (H.B. No. 1451, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1312 was adopted and H.B. No. 1451, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1313 (H.B. No. 1782, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1313 was adopted and H.B. No. 1782, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT

RELATING TO HEALTH INFORMATION EXCHANGE,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Hee).

Stand. Com. Rep. No. 1315 (H.B. No. 300, H.D. 1, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1315 be adopted and H.B. No. 300, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1315 was adopted and H.B. No. 300, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE JUDICIARY,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Ayes with Reservations, 1 (Slom). Noes, none. Excused, 1 (Hee).

Stand. Com. Rep. No. 1316 (H.B. No. 900, H.D. 2, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1316 be adopted and H.B. No. 900, H.D. 2, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1316 was adopted and H.B. No. 900, H.D. 2, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 1 (Slom). Noes, none.

Stand. Com. Rep. No. 1317 (H.B. No. 1728, H.D. 1, S.D. 1):

Senator Kim moved that Stand. Com. Rep. No. 1317 be adopted and H.B. No. 1728, H.D. 1, S.D. 1 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

“I think it is bad precedent to put fees in statute form, rather than allowing for administrative fee determination. If you have the administration or the agency determining, they must have a public hearing. There can be input and so forth. There can be increases, as well as decreases, as we’ve seen recently in DCCA. If you put it in statute, there’s no hearings, there’s no discussion, there’s no movement on the fees. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1317 was adopted and H.B. No. 1728, H.D. 1, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FEES,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1325 (H.B. No. 1712, H.D. 2, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1325 was adopted and H.B. No. 1712, H.D. 2, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO FISHING,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1326 (H.B. No. 1552, H.D. 2, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1326 be adopted and H.B. No. 1552, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

“I don’t think we’ve come to grips with adequately determining and defining people living in the parks, and we have problems associated with the homeless, and we have a Supreme Court decision talking about specific legislation. And I think we need to do much more work on this if in fact we are going to allow people to live in the parks, whether or not that’s a good idea. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1326 was adopted and H.B. No. 1552, H.D. 2, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC LANDS,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1327 (H.B. No. 1464, H.D. 3, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1327 was adopted and H.B. No. 1464, H.D. 3, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ENERGY RESOURCES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1328 (H.B. No. 1271, H.D. 3, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1328 was adopted and H.B. No. 1271, H.D. 3, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1330 (H.B. No. 686, H.D. 1, S.D. 2):

On motion by Senator Kim, seconded by Senator Tsutsui and carried, Stand. Com. Rep. No. 1330 was adopted and H.B. No. 686, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO REDUCED IGNITION PROPENSITY CIGARETTES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Stand. Com. Rep. No. 1331 (H.B. No. 1174, H.D. 3, S.D. 2):

Senator Kim moved that Stand. Com. Rep. No. 1331 be adopted and H.B. No. 1174, H.D. 3, S.D. 2 pass Third Reading, seconded by Senator Tsutsui.

Senator Slom rose in opposition to the measure and stated:

“There is a lot of controversy and a lot of concern about the management of the Mauna Kea lands, but for me the vote is real simple because it establishes a Mauna Kea special fund. Thank you.”

Senator Tokuda rose in support of the measure and stated:

“While much has been said about this bill and the proponents behind it, we must wade through the rhetoric and the years of mistrust to see this measure for what it really is: a chance for the University of Hawai’i and for all of us to do the right thing for Mauna Kea. I think we can all agree that in the past serious mistakes were made, and in the absence of best practices, Mauna Kea was not given the respect it deserved and suffered severe damage. But since that time, we’ve seen the creation of the 2000 Master Plan; the establishment of the Office of Mauna Kea Management; a recognition of the importance of Hawaiian

culture and knowledge through the advice and counsel of the Kahu Ku Mauna Council; the need to protect the mountain from inappropriate behavior through the Mauna Kea Ranger Corps; and most recently, the completion and final acceptance by the State Land Board of the comprehensive master plan. These are all important pieces that need one thing to bring them together: the ability to promulgate and enforce culturally sensitive and appropriate rules to manage the Mauna Kea lands.

"Oftentimes we are critical of departments or agencies for not following through on the recommendations of the Office of the State Auditor. In both her 1998 and 2005 reports, while she notes improvements made, it clearly states that the University still faces management challenges, specifically the lack of administrative rulemaking authority. They state that under the general lease, the University is responsible for the protection of cultural and natural resources within its jurisdiction, but currently does not provide protection due to its lack of authority to establish or enforce administrative rules for the science reserve. This measure would directly address and follow through on these Auditor's specific recommendations.

"Recently, statements have been made that this bill directly contradicts the Land Board's ruling last week, would allow the University to restrict public access, would limit cultural practices, and establish a private police force. Having sat through an extensive hearing with all parties involved at the table, I can assure you that these statements are absolutely not true. What is true is the chair of the Land Board has testified in support of granting UH rulemaking authority so as to allow them to manage and regulate activities on Mauna Kea. Both the University and the DLNR have fully acknowledged and recognized that the Land Board has the final authority to approve all land uses within conservation lands and all uses would be subject to final review and approval by the Land Board. This bill would not change nor challenge this authority. On the contrary, this measure would provide a management framework to manage the valued cultural and natural resources on Mauna Kea. This bill will also not allow the University to restrict public access or limit cultural practices. Your Senate Committees, in an effort to strengthen the bill's recognition of native Hawaiian's cultural practices and rites, has strengthened the measure's PASH language and has required the University to develop and enforce rules and fines in consultation with the Office of Hawaiian Affairs. We have also strongly encouraged, in the committee report, that the University consult with the plaintiffs in the civil case Mauna Kea Anaina Hou vs. the BLNR in all of their efforts moving forward. This bill would not establish a private police force. The Ranger Corps form under the jurisdiction of the Office of Mauna Kea Management, which is based out of the University of Hawai'i at Hilo, and like the University, are subject to the terms and conditions of the lease agreement with the Board of Land and Natural Resources. Currently, all the Ranger Corps can do is witness the desecration and damage being inflicted upon the mountain. By granting rulemaking authority and allowing the University to assess and collect administrative fines, we can now truly protect and preserve this culturally and ecologically important area.

"Parallel and complimentary to this bill is the final approval and conditions imposed upon the Comprehensive Management Plan by the Land Board. One of the concerns raised during our hearing was that this bill would allow the University to have an unlimited capacity to increase telescope construction and commercialize the mountain while offering no plan to remove obsolete telescopes. Any new telescope or any new commercial activity or use would have to go through an extensive public process including DLNR's own CDUP process. In addition, while the University has acknowledged that they were going to begin to look at the process of decommissioning telescopes, one of the Land Board's conditions will be requiring them to develop a sub-plan on this very issue within one year.

"We could go on and on debating the merits and dispelling the myths surrounding this measure and the management of Mauna Kea, but at the end of the day, colleagues, I hope that you will support the passage of this measure as a means of truly protecting and preserving this important area. Thank you."

Senators Ihara, Hooser, Kim, 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. 1331 was adopted and H.B. No. 1174, H.D. 3, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 4 (Gabbard, Hooser, Ihara, Kim). Noes, 4 (Chun Oakland, Galuteria, Hee, Slom).

Stand. Com. Rep. No. 1332 (H.B. No. 690, H.D. 2, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 1332 be adopted and H.B. No. 690, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Ige.

Senator Slom rose in opposition to the measure and stated:

"Hawai'i's prepaid health care act requires right now that an employer must provide health insurance coverage for any employee working more than 19 hours per week. What this bill does is reduce that number to 15. It's going to have a deleterious effect on both employers and employees because a number of employees already are having their hours cut back. This will ensure that their hours are cut back more because the employers will not be able to afford coverage for the employee and their family as required by this act. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1332 was adopted and H.B. No. 690, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1333 (H.B. No. 1503, H.D. 1, S.D. 2):

On motion by Senator Baker, seconded by Senator Ige and carried, Stand. Com. Rep. No. 1333 was adopted and H.B. No. 1503, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIMITED LIABILITY COMPANIES," passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1334 (H.B. No. 1713, H.D. 2, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kim and carried, Stand. Com. Rep. No. 1334 was adopted and H.B. No. 1713, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HAZARDS," passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1335 (H.B. No. 640, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1335 be adopted and H.B. No. 640, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Takamine.

Senators Fukunaga, Hooser, Ige, Ihara, and Baker requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1335 was adopted and H.B. No. 640, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO

ENVIRONMENTAL IMPACT STATEMENTS,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Ayes with Reservations, 5 (Baker, Fukunaga, Hooser, Ige, Ihara). Noes, none.

Stand. Com. Rep. No. 1336 (H.B. No. 819, H.D. 2, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1336 be adopted and H.B. No. 819, H.D. 2, S.D. 2 pass Third Reading, seconded by Senator Takamine.

Senator Slom rose in support of the measure and stated:

“This is the so-called ‘Karen’s Law’ legislation, and I’m happy that we’re going to be passing it today. However, I am a little disappointed that the bill was amended that limits the applicability to murder in the first degree. The original legislation had murder in the first degree and second degree, and also to cases where the minor has not been charged with any other criminal offenses arising from the same incident. But this is a very positive piece of legislation. Unfortunately, it came too late for Karen Ertell.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 1336 was adopted and H.B. No. 819, H.D. 2, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CRIME,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 1340 (H.B. No. 952, H.D. 1, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 1340 be adopted and H.B. No. 952, H.D. 1, S.D. 2 pass Third Reading, seconded by Senator Takamine.

Senator Slom rose in opposition to the measure and stated:

“You know, we can dress it up any way we want, this card check bill, this unionization bill. What it does though is basically take away the right of secret ballot and voting from employees. Secondly, what it does is to allow union organization to be exempted from trespass and other property violation laws, and it’s just a bad piece of legislation all the way around. Even at the federal level, they are still jockeying back and forth in trying to amend that position, but this is probably the broadest piece of legislation of any of the states. And when we talk about supporting business—we talk about supporting employers, we talk about creating a better business climate—this is the number one bill that all business organizations have testified against. The Chamber of Commerce had more than 100 business owners here the other day, visiting all of our offices. This was the number one thing that they said: ‘Please do not pass this bill.’ I urge my colleagues to rethink supporting this bill. Thank you.”

Senators Kim, Chun Oakland, Gabbard, Ige, Espero, and Kidani 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. 1340 was adopted and H.B. No. 952, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO LABOR,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Ayes with Reservations, 6 (Chun Oakland, Espero, Gabbard, Ige, Kidani, Kim). Noes, 4 (Hemmings, Nishihara, Sakamoto, Slom).

Stand. Com. Rep. No. 1343 (H.B. No. 1479, H.D. 2, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Takamine and carried, Stand. Com. Rep. No. 1343 was adopted and H.B. No. 1479, H.D. 2, S.D. 1, entitled: “A BILL FOR AN

ACT RELATING TO LABOR,” passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 1345 (H.B. No. 589, H.D. 1, S.D. 2):

On motion by Senator Hee, seconded by Senator Tokuda and carried, Stand. Com. Rep. No. 1345 was adopted and H.B. No. 589, H.D. 1, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY FACILITIES,” passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

RECONSIDERATION OF ACTIONS TAKEN

MATTER DEFERRED FROM THURSDAY, APRIL 9, 2009

S.B. No. 715 (H.D. 1):

Senator English moved that the Senate reconsider its action taken on April 6, 2009, in disagreeing to the amendments proposed by the House to S.B. No. 715, seconded by Senator Gabbard and carried.

Senator English moved that the Senate agree to the amendments proposed by the House to S.B. No. 715, seconded by Senator Gabbard.

Senator English noted:

“Madam President, the changes were technical in nature—commas and capitalization of the word ‘State’—so we’ve agreed to the amendments.”

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 715, and S.B. No. 715, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TRANSPORTATION,” was placed on the calendar for Final Reading on Thursday, April 16, 2009.

AGREE/DISAGREE

MATTER DEFERRED FROM EARLIER ON THE CALENDAR

Hse. Com. No. 406, returning S.B. No. 426, as amended in H.D. 2, which passed Third Reading in the House of Representatives on April 9, 2009, was placed on file.

Senator Baker moved that the Senate agree to the amendments proposed by the House to S.B. No. 426, seconded by Senator Ige.

Senator Baker noted:

“Colleagues, there were some stylistic and technical, non-substantive amendments made to this measure, but it’s basically the Senate position.”

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 426, and S.B. No. 426, H.D. 2, entitled: “A BILL FOR AN ACT RELATING TO DENTISTRY,” was placed on the calendar for Final Reading on Thursday, April 16, 2009.

Senator Kim rose on a point of personal privilege and requested that she be allowed to insert comments on various House bills into the Journal, and the Chair so ordered.

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

“Since so many of my colleagues expressed their concern today with voting for tax increases, and how they don’t like tax increases, and how we all know tax increases are bad, I’d like to invite all of my colleagues to join with the public tomorrow at

the State Capitol from 4:00 to 7:00 p.m. for the Tax Protest Tea Party. You don't even have to bring your own tea; it'll be supplied. Thank you, Madam President."

At this time, the Chair made the following announcement:

"Referrals and re-referrals are made in accordance with the Supplemental Order of the Day that may be distributed to your offices later this afternoon."

APPOINTMENT OF CONFEREES

S.B. No. 113, (H.D. 1):

In accordance with the disagreement of the Senate to the amendments proposed by the House to S.B. No. 113, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Baker, co-chair; Green, Slom as managers on the part of the Senate at such conference.

ADJOURNMENT

At 1:22 p.m., on motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Thursday, April 16, 2009.