

FIFTY-FIFTH DAY

Tuesday, April 28, 2009

The Senate of the Twenty-Fifth Legislature of the State of Hawai'i, Regular Session of 2009, convened at 11:31 a.m. with the President in the Chair.

The Divine Blessing was invoked by Father Jack Ryan, St. John the Baptist Church, after which the Roll was called showing all Senators present.

The President announced that she had read and approved the Journal of the Fifty-Fourth Day.

DEPARTMENTAL COMMUNICATION

The following communication (Dept. Com. No. 70) was read by the Clerk and was placed on file:

Dept. Com. No. 70, from the City and County of Honolulu, Office of the City Clerk, dated April 22, 2009, transmitting Resolution No. 09-79, urging the Hawaii State Legislature to support legislation to control noise, which was adopted on April 22, 2009.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 682 to 705) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 682, informing the Senate that on April 27, 2009, the Speaker appointed conferees on the part of the House for the consideration of amendments proposed by the Senate to the following House bill:

H.B. No. 1031 (S.D. 3):

Representatives Herkes, B. Oshiro, M. Oshiro, co-chairs; Marumoto,

was placed on file.

Hse. Com. No. 683, informing the Senate that the following bills passed Final Reading in the House of Representatives on April 27, 2009:

H.B. No. 1739, H.D. 1, S.D. 1, C.D. 1; and
S.B. No. 603, S.D. 1, H.D. 1, C.D. 1,

was placed on file.

Hse. Com. No. 684, returning S.C.R. No. 30, as amended in H.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

By unanimous consent, action on S.C.R. No. 30 (H.D. 1), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO CONDUCT A FEASIBILITY STUDY ON CONVERTING HARD COVER TEXT BOOKS TO E-BOOKS FOR USE IN PUBLIC SCHOOLS," was deferred until Wednesday, April 29, 2009.

Hse. Com. No. 685, returning S.C.R. No. 38, S.D. 1, as amended in H.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

By unanimous consent, action on S.C.R. No. 38, S.D. 1 (H.D. 1), entitled: "SENATE CONCURRENT RESOLUTION URGING THE DEVELOPMENT OF A PLAN FOR INCREASING AID AND ASSISTANCE TO CERTIFIED ORGANIC FARMERS," was deferred until the end of the calendar.

Hse. Com. No. 686, returning S.C.R. No. 188, S.D. 2, as amended in H.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

By unanimous consent, action on S.C.R. No. 188, S.D. 2 (H.D. 1), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO ACCEPT THE RECOMMENDATIONS OF THE WORKING GROUP FORMED BY HAWAII'S CONGRESSIONAL DELEGATION TO DETERMINE THE MOST APPROPRIATE USES OF STATE FISCAL STABILIZATION FUND MONEYS, AND AUTHORIZE THE EXPENDITURE OF STATE FISCAL STABILIZATION FUND MONEYS IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE WORKING GROUP," was deferred until Wednesday, April 29, 2009.

Hse. Com. No. 687, returning S.C.R. No. 31, S.D. 2, as amended in H.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

By unanimous consent, action on S.C.R. No. 31, S.D. 2 (H.D. 1), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL AUDIT OF THE HAWAII PUBLIC HOUSING AUTHORITY'S MAINTENANCE CONTRACTS," was deferred until Wednesday, April 29, 2009.

Hse. Com. No. 688, returning S.C.R. No. 7, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 689, returning S.C.R. No. 51, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 690, returning S.C.R. No. 50, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 691, returning S.C.R. No. 52, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 692, returning S.C.R. No. 56, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 693, returning S.C.R. No. 62, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 694, returning S.C.R. No. 64, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 695, returning S.C.R. No. 77, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 696, returning S.C.R. No. 84, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 697, returning S.C.R. No. 87, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 698, returning S.C.R. No. 109, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 699, returning S.C.R. No. 126, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 700, returning S.C.R. No. 146, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 701, returning S.C.R. No. 150, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 702, returning S.C.R. No. 170, S.D. 2, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 703, returning S.C.R. No. 174, S.D. 1, which was adopted by the House of Representatives on April 27, 2009, was placed on file.

Hse. Com. No. 704, informing the Senate that on April 27, 2009, the House reconsidered its action taken on April 16, 2009, in disagreeing to the amendments proposed by the Senate to H.B. No. 1101, H.D. 1 (S.D. 1), was placed on file.

Hse. Com. No. 705, informing the Senate that on April 27, 2009, the Speaker made the following changes to the conferees on the following bill:

H.B. No. 1405, H.D. 2 (S.D. 2):

Discharged Representative McKelvey; and
Appointed Representative M. Lee as a manager,

was placed on file.

CONFERENCE COMMITTEE REPORTS

Senator English, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate to H.B. No. 1422, H.D. 1, presented a report (Conf. Com. Rep. No. 6) recommending that H.B. No. 1422, H.D. 1, S.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 6 and H.B. No. 1422, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ABANDONED VEHICLES," was deferred for a period of 48 hours.

Senator Tokuda, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate to H.B. No. 1057, H.D. 1, presented a report (Conf. Com. Rep. No. 7) recommending that H.B. No. 1057, H.D. 1, S.D. 2, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 7 and H.B. No. 1057, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE OF HAWAII COLLEGE SAVINGS PROGRAM," was deferred for a period of 48 hours.

Senator Chun Oakland, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by the Senate to H.B. No. 876, H.D. 1, presented a report (Conf. Com. Rep. No. 8) recommending that H.B. No. 876, H.D. 1, S.D. 2, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 8 and H.B. No. 876, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," was deferred for a period of 48 hours.

Senator Espero, for the Committee on Conference on the disagreeing vote of the House to the amendments proposed by

the Senate to H.B. No. 632, H.D. 1, presented a report (Conf. Com. Rep. No. 9) recommending that H.B. No. 632, H.D. 1, S.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 9 and H.B. No. 632, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO POLICY ADVISORY BOARD ON VETERANS' SERVICES," was deferred for a period of 48 hours.

Senator Gabbard, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 1065, S.D. 2, presented a report (Conf. Com. Rep. No. 54) recommending that S.B. No. 1065, S.D. 2, H.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 54 and S.B. No. 1065, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," was deferred for a period of 48 hours.

Senator English, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 281, presented a report (Conf. Com. Rep. No. 55) recommending that S.B. No. 281, H.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 55 and S.B. No. 281, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATEWIDE TRAFFIC CODE," was deferred for a period of 48 hours.

Senator English, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 711, S.D. 1, presented a report (Conf. Com. Rep. No. 56) recommending that S.B. No. 711, S.D. 1, H.D. 2, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 56 and S.B. No. 711, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," was deferred for a period of 48 hours.

Senator Kim, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 659, presented a report (Conf. Com. Rep. No. 57) recommending that S.B. No. 659, H.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 57 and S.B. No. 659, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," was deferred for a period of 48 hours.

Senator Kim, for the Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House to S.B. No. 971, S.D. 2, presented a report (Conf. Com. Rep. No. 58) recommending that S.B. No. 971, S.D. 2, H.D. 1, as amended in C.D. 1, pass Final Reading.

In accordance with Article III, Section 15 of the Constitution of the State of Hawai'i, action on Conf. Com. Rep. No. 58 and S.B. No. 971, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," was deferred for a period of 48 hours.

STANDING COMMITTEE REPORTS

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 1510) recommending that the Senate advise and consent to the nomination of SHELLI A. MCCELVEY to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, in accordance with Gov. Msg. No. 262.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1510 and Gov. Msg. No. 262 was deferred until Wednesday, April 29, 2009.

Senator Fukunaga, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 1511) recommending that the Senate advise and consent to the nomination of JAMES S. GUEQUIERRE to the Hawai'i Historic Places Review Board, in accordance with Gov. Msg. No. 288.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1511 and Gov. Msg. No. 288 was deferred until Wednesday, April 29, 2009.

Senator Fukunaga, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 1512) recommending that the Senate advise and consent to the nominations to the King Kamehameha Celebration Commission of the following:

ALBERTA L. SANDERS, in accordance with Gov. Msg. No. 292; and

JACQUELINE L. ROSSETTI, in accordance with Gov. Msg. No. 421.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1512 and Gov. Msg. Nos. 292 and 421 was deferred until Wednesday, April 29, 2009.

Senator Espero, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 1513) recommending that the Senate advise and consent to the nominations to the Wireless Enhanced 911 Board of the following:

GOLDIE K. CROSS, in accordance with Gov. Msg. No. 363;

JAMES D. LACLAIR, in accordance with Gov. Msg. No. 365; and

ERIC KNUTZEN, in accordance with Gov. Msg. No. 588.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1513 and Gov. Msg. Nos. 363, 365 and 588 was deferred until Wednesday, April 29, 2009.

Senator Espero, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 1514) recommending that the Senate advise and consent to the nominations to the Civil Defense Advisory Council of the following:

CREIGHTON W. GOLDSMITH, in accordance with Gov. Msg. No. 364; and

RANDY L. PROTHERO, in accordance with Gov. Msg. No. 366.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1514 and Gov. Msg. Nos. 364 and 366 was deferred until Wednesday, April 29, 2009.

Senator English, for the Committee on Transportation, International and Intergovernmental Affairs, presented a report

(Stand. Com. Rep. No. 1515) recommending that H.C.R. No. 303 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1515 and H.C.R. No. 303, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE PEACE CORPS EXPANSION ACT OF 2009," was deferred until April 29, 2009.

Senator English, for the Committee on Transportation, International and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 1516) recommending that H.C.R. No. 309 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1516 and H.C.R. No. 309, entitled: "HOUSE CONCURRENT RESOLUTION DENOUNCING THE VIOLATION OF HUMAN RIGHTS IN TIBET," was deferred until April 29, 2009.

ORDER OF THE DAY**ADVISE AND CONSENT**

Stand. Com. Rep. No. 1502 (Gov. Msg. Nos. 257, 259, 274, 526, and 527):

Senator Tokuda moved that Stand. Com. Rep. No. 1502 be received and placed on file, seconded by Senator Sakamoto and carried.

Senator Tokuda then moved that the Senate advise and consent to the nominations to the Center for Nursing Advisory Board of the following:

JANE K. KADOHIRO DRPH, APRN, CDE, term to expire June 30, 2013 (Gov. Msg. No. 257);

GARY R. KIENBAUM RN, term to expire June 30, 2013 (Gov. Msg. No. 259);

ANA M. SILVA RN, CNA, BC, term to expire June 30, 2013 (Gov. Msg. No. 274);

ALVIN GOO, term to expire June 30, 2013 (Gov. Msg. No. 526); and

DENISE HOPKINS-CHADWICK, term to expire June 30, 2013 (Gov. Msg. No. 527),

seconded by Senator Sakamoto.

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

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

Stand. Com. Rep. No. 1503 (Gov. Msg. Nos. 311 and 525):

Senator Tokuda moved that Stand. Com. Rep. No. 1503 be received and placed on file, seconded by Senator Sakamoto and carried.

Senator Tokuda then moved that the Senate advise and consent to the nominations to the Board of Directors of the Research Corporation of the University of Hawai'i of the following:

GUY P. ONTAI, term to expire June 30, 2013 (Gov. Msg. No. 311); and

ROBERT D. DEWITZ, term to expire June 30, 2013 (Gov. Msg. No. 525),

seconded by Senator Sakamoto.

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

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

Stand. Com. Rep. No. 1504 (Gov. Msg. No. 312):

Senator Tokuda moved that Stand. Com. Rep. No. 1504 be received and placed on file, seconded by Senator Sakamoto and carried.

Senator Tokuda then moved that the Senate advise and consent to the nomination of ROBERTA M. RICHARDS to the Western Interstate Commission for Higher Education (WICHE), term to expire June 30, 2013, seconded by Senator Sakamoto.

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

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

Stand. Com. Rep. No. 1505 (Gov. Msg. No. 583):

Senator Chun Oakland moved that Stand. Com. Rep. No. 1505 be received and placed on file, seconded by Senator Ihara and carried.

Senator Chun Oakland then moved that the Senate advise and consent to the nomination of DEBORA ANN KAIKALA to the Early Learning Council, term to expire June 30, 2011, seconded by Senator Ihara.

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

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

Stand. Com. Rep. No. 1506 (Gov. Msg. Nos. 523 and 524):

Senator Chun Oakland moved that Stand. Com. Rep. No. 1506 be received and placed on file, seconded by Senator Ihara and carried.

Senator Chun Oakland then moved that the Senate advise and consent to the nominations to the State Rehabilitation Council of the following:

NORITA DE LIMA, term to expire June 30, 2012 (Gov. Msg. No. 523); and

GRETCHEN LAWSON, term to expire June 30, 2012 (Gov. Msg. No. 524),

seconded by Senator Ihara.

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

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

Stand. Com. Rep. No. 1507 (Gov. Msg. Nos. 510, 511, and 512):

Senator Taniguchi moved that Stand. Com. Rep. No. 1507 be received and placed on file, seconded by Senator Takamine and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nominations to the Language Access Advisory Council of the following:

ANH BROW, term to expire June 30, 2013 (Gov. Msg. No. 510);

JENNIFER LANI LI, term to expire June 30, 2011 (Gov. Msg. No. 511); and

AZI TURTURICI, term to expire June 30, 2013 (Gov. Msg. No. 512),

seconded by Senator Takamine.

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

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

Stand. Com. Rep. No. 1508 (Gov. Msg. No. 529):

Senator Taniguchi moved that Stand. Com. Rep. No. 1508 be received and placed on file, seconded by Senator Takamine and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nomination of SUSAN PIRSCH to the Board of Registration of the Islands of Maui, Molokai, Lanai, and Kaho'olawe, term to expire June 30, 2013, seconded by Senator Takamine.

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

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

Stand. Com. Rep. No. 1509 (Gov. Msg. Nos. 584 and 585):

Senator Taniguchi moved that Stand. Com. Rep. No. 1509 be received and placed on file, seconded by Senator Takamine and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nominations to the Commission on the Status of Women of the following:

ADRIENNE S. KING, term to expire June 30, 2013 (Gov. Msg. No. 584); and

CHERIE A. MOOY, term to expire June 30, 2010 (Gov. Msg. No. 585),

seconded by Senator Takamine.

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

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

FINAL ADOPTION

S.C.R. No. 121, 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. 121, S.D. 1, and S.C.R. No. 121, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES, IN COOPERATION WITH THE DEPARTMENT OF AGRICULTURE, DEPARTMENT OF EDUCATION, AND THE HAWAII FARM BUREAU FEDERATION, TO CONVENE A WORKING GROUP OF STAKEHOLDERS TO CONSIDER THE FEASIBILITY OF ESTABLISHING A FARM TO SCHOOL PROGRAM IN HAWAII'S PUBLIC SCHOOLS," was Finally Adopted.

MISCELLANEOUS COMMUNICATION

The following communication (Misc. Com. No. 3) was read by the Clerk and was placed on file.

Misc. Com. No. 3, from the Indiana General Assembly, transmitting Senate Resolution No. 42, urging the President of the United States, the President of the Senate, the Majority Leader of the Senate and the Speaker of the House of Representatives of the United States Congress, and the President of the Senate and Speaker of the House of Representatives of each state's legislature of the United States of America to cease and desist, effective immediately, any and all mandates that are beyond the scope of their constitutionally delegated power, which was adopted on April 9, 2009.

At 11:39 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:40 a.m.

HOUSE COMMUNICATION

MATTER DEFERRED FROM EARLIER ON THE CALENDAR

S.C.R. No. 38, S.D. 1 (H.D. 1):

On motion by Senator Hee, seconded by Senator Tokuda and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 38, S.D. 1, and S.C.R. No. 38, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE DEVELOPMENT OF A PLAN FOR INCREASING AID AND ASSISTANCE TO CERTIFIED ORGANIC FARMERS," was placed on the calendar for Final Adoption on Wednesday, April 29, 2009.

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

"Probably tonight or in the near future, this legislature will be making a momentous decision on the economic viability of this state for the next several years in deciding on the budget, H.B. No. 200. I'm very pleased that, under the leadership of the Ways and Means and Water, Land and Hawaiian Affairs, the budget for the operation of OHA included some innovation that allowed the resources of OHA, the generous resources of OHA, to share in the cost of running OHA for the next several years. This is going to contribute significantly to the welfare of the state budget as we will not have to underwrite that agency.

"Nevertheless, we face a daunting task in front of us, and I would like to suggest that it is going to have a far-reaching effect into the future, and that is: Are we going to innovate or are we going to have business as usual? And so far, we're headed towards the road of business as usual which includes raiding funds, cutting grants-in-aids to sometimes the most needy in our community, and probably the most massive tax increase in the history of the state. We've been able to compute tax increases in excess of \$400 million that will be taken out of the people of Hawai'i's pockets and others in the name of balancing the budget.

"Our budget is morbidly obese and will eventually collapse under the weight of too much spending; and Hawai'i is suffering from the chances of going the same route as California, where the point will come when we can no longer pay our bills. And I've talked often about the ferocious appetite of one special interest group that refuses to contribute along with everybody else to balancing the budget in a fair and just way. I won't belabor that issue, but I will tell you that the rank and file laborers of this state do not live in a separate kingdom. They, too, are living in an economy with diminishing returns. When they drive down the highway, the potholes don't say HGEA workers, for instance, are immune from the potholes. Our public education system, which is \$2.4 billion and ranks 47th in the nation, poses the same problems for the rank and file as it poses for the rest of the people of Hawai'i. Our cost of living, the basics—water, land, food, medical care—is a burden on everybody, including organized labor. I'm making a plea to organized labor, specifically to Randy Perreira and the heads of the other major unions, to try to reconsider their recalcitrant position of not contributing to balancing the budget through some modest pay cuts because what will happen instead is when the state does run out of money, there will have to be layoffs. And I would suggest to organized labor that pay cuts now are better than layoffs later.

"I'm not saying I'm Nostradamus, Madam President, but for years I've stood up along with my colleague next to me and

talked about some of the ways that we could innovate savings to the state budget. For years, in order to preserve special interests in the Hawai'i health care systems, we've poured 10, 20, 30, 40, 50, and now more than \$60 million into subsidizing hospitals on the neighbor islands that could have easily been privatized years ago and operated under their own recognizance. For years we've poured billions into the DOE and got us stagnated results where we continue to rank lowest amongst the states for total performance of public education.

"I would hope that this legislature would have the courage, as we did with OHA, to change the formula of how we collect and spend taxpayers' money. But it does not look like we're headed that way. And I will tell you that in my tenure here at the State Legislature, this is much more serious a problem than the wake of 9/11, because at 9/11 we had a robust economy and once our national security was reestablished, our economy recovered rather rapidly. This is a whole different ball game, and I would suggest that playing it by the old rules and the old ways will simply lead us down the road that California has unfortunately succumbed to.

"Madam President, I guess this is the difference between what we stand for on this side of the aisle and what you stand for, but I was hoping in the conference committees and in the diligence of our duty, we would find some common ground to maybe try some different things. It's not too late. I'm hoping that reasonable people will come to reasonable conclusions on what is the best course for the economic future of this state, and I will leave with these words: that there's never been anyone, individually or collectively, that is taxed and spent their way back into economic prosperity. It just doesn't work. Thank you, Madam President."

At this time, the Chair made the following announcement:

"Re-referrals are made in accordance with Order of the Day and the Supplemental Order of the Day that may be distributed to your offices later this afternoon."

ADJOURNMENT

At 11:47 a.m., on motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Wednesday, April 29, 2009.