### FORTY-SIXTH DAY

## Friday, April 9, 2010

The Senate of the Twenty-Fifth Legislature of the State of Hawai'i, Regular Session of 2010, convened at 11:38 a.m. with the President in the Chair.

The Divine Blessing was invoked by Dr. Lou Ann Ha'aheo Guanson, Pacific Justice & Reconciliation Center, after which the Roll was called showing all Senators present with the exception of Senators Takamine and Tsutsui who were excused.

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

At this time, the following introductions were made to members of the Senate:

Senator Chun Oakland introduced members of the American Massage Therapy Association (AMTA) Hawaii Chapter and Massage Therapists Association of Hawaii (MATAH) who were here to celebrate the 15<sup>th</sup> Legislative Massage Awareness Day at the Capitol. Representing AMTA Hawaii were Pualani Gillespie, President; and Raymond Herradure, board member and Chair of the Legislative Massage Awareness Day. Representing MATAH were Mahana Byington, board member, past President, and supporter of the Legislative Massage Awareness Day; and Dustin Ebesu, President and Chair of the Legislative Awareness Day.

Senator Espero introduced a group of 8 to 12 year old students from TeenPact Hawaii, a national organization that teaches students about government, who were here to learn about the legislature and see how bills are passed. Accompanying the TeenPact students were Hawai'i Coordinator Robin Metcalf and several parents.

Senator Espero also introduced members of the United Public Workers including State Director Dayton Nakanelua; correctional officers from O'ahu Community Correctional Center, Halawa Correctional facility, the Women's Correctional Facility, and Waiawa Correctional facility; workers from Unit 1 representing the Department of Accounting and General Services, Department of Land and Natural Resources, Department of Education, and the University of Hawai'i; and workers from the City & County of Honolulu Parks and Recreation Facilities Management.

### MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 466 to 467) were read by the Clerk and were placed on file:

Gov. Msg. No. 466, informing the Senate that on April 8, 2010, the Governor signed into law House Bill No. 2427, H.D. 1, S.D. 1 as Act 12, entitled: "RELATING TO SOLID WASTE MANAGEMENT."

Gov. Msg. No. 467, letter dated April 8, 2010, transmitting proposed changes to the Appropriations Act (HB2200) for the Department of Accounting and General Services, the Department of Commerce and Consumer Affairs, and the Department of Health.

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 463 to 471) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 463, returning S.B. No. 2346, S.D. 1, as amended in H.D. 1, which passed Third Reading in the House of Representatives on April 8, 2010, was placed on file.

By unanimous consent, action on S.B. No. 2346, S.D. 1 (H.D. 1), entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TEACHER STANDARDS BOARD," was deferred until Monday, April 12, 2010.

Hse. Com. No. 465, informing the Senate that on April 8, 2010, the House reconsidered its action taken on March 23, 2010, in disagreeing to the amendments proposed by the Senate to H.B. No. 1853 (S.D. 1), was placed on file.

Hse. Com. No. 466, informing the Senate that the House agreed to the amendments proposed by the Senate to the following House bills and said bills passed Final Reading in the House of Representatives on April 8, 2010:

H.B. No. 2027, H.D. 1, S.D. 1; H.B. No. 2028, S.D. 1; and H.B. No. 2136, S.D. 1,

was placed on file.

Hse. Com. No. 467, informing the Senate that on April 8, 2010, the Speaker appointed conferees on the part of the House for the consideration of amendments proposed by the Senate to the following House bills:

H.B. No. 1907, H.D. 1 (S.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee.

H.B. No. 1985 (S.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Ward.

H.B. No. 2421, H.D. 2 (S.D. 2):

Representatives Morita, Tsuji, M. Oshiro, Co-Chairs; Coffman, Wooley, Thielen.

H.B. No. 2542, H.D. 1 (S.D. 2):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Ward.

H.B. No. 2594, H.D. 2 (S.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Ward.

H.B. No. 2595, H.D. 1 (S.D. 2):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Finnegan.

H.B. No. 2866, H.D. 1 (S.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee.

H.B. No. 2962, H.D. 1 (S.D. 2):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Finnegan.

H.B. No. 2984, H.D. 2 (S.D. 2):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, McKelvey, Ward,

was placed on file.

Hse. Com. No. 468, informing the Senate that on April 8, 2010, the Speaker appointed conferees on the part of the House for the consideration of amendments proposed by the House to the following Senate bills:

S.B. No. 1230, S.D. 2 (H.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Marumoto.

S.B. No. 2001, S.D. 1 (H.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Ward.

S.B. No. 2401, S.D. 1 (H.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Marumoto.

S.B. No. 2405, S.D. 2 (H.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee.

S.B. No. 2695, S.D. 1 (H.D. 1):

Representatives M. Oshiro, Chair; Chong, Choy, M. Lee, Ward.

was placed on file.

Hse. Com. No. 469, informing the Senate that on April 8, 2010, the Speaker appointed conferees on the part of the House for the consideration of amendments proposed by the House to the following Senate bill:

S.B. No. 2159 (H.D. 1):

Representatives Karamatsu, M. Oshiro, Co-Chairs; Ito, Ward, was placed on file.

Hse. Com. No. 470, informing the Senate that on April 8, 2010, the Speaker appointed conferees on the part of the House for the consideration of amendments proposed by the House to the following Senate bill:

S.B. No. 2650, S.D. 2 (H.D. 2):

Representatives Mizuno, Yamane, Brower, Co-Chairs; Ward, was placed on file.

Hse. Com. No. 471, informing the Senate that on April 8, 2010, the House disagreed to the amendments proposed by the Senate to the following House Bills:

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H.B. No. 2003, H.D. 3 (S.D. 2);
H.B. No. 2200, H.D. 1 (S.D. 2);
H.B. No. 2306, H.D. 2 (S.D. 3);
H.B. No. 2450, H.D. 1 (S.D. 2);
H.B. No. 2542, H.D. 1 (S.D. 2); and
H.B. No. 2690 (S.D. 2),
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was placed on file.

## STANDING COMMITTEE REPORTS AND ADOPTION OF RESOLUTIONS

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3093) recommending that S.C.R. No. 6, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 6, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING THE CANCELLATION OF THE LEASE OF NON-EXCLUSIVE EASEMENT S-5252 AND THE ISSUANCE OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS SITUATED AT LAPAAKEA, LAHAINA, MAUI, IDENTIFIED BY TAX MAP KEY: (2) 4-5-001:055: SEAWARD OF TAX MAP KEY: (2) 4-5-001:006; AND URGING THE DEPARTMENT OF

EDUCATION TO CONTINUE THE LAHAINALUNA HIGH SCHOOL BOARDING PROGRAM," was adopted.

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3094) recommending that S.C.R. No. 18, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 18, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION ESTABLISHING A JOINT LEGISLATIVE INVESTIGATING COMMITTEE TO OVERSEE THE INVESTIGATION OF THE DEPARTMENT OF BUDGET AND FINANCE'S HANDLING OF THE STATE'S INVESTMENT IN STUDENT LOAN AUCTION RATE SECURITIES," was adopted.

Senator Kim, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3095) recommending that S.C.R. No. 77, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and S.C.R. No. 77, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF THE MANAGEMENT OF STATE BOATING FACILITIES BY THE DIVISION OF BOATING AND OCEAN RECREATION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES," was adopted.

Senator Kim, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3096) recommending that S.R. No. 33, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and S.R. No. 33, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF THE MANAGEMENT OF STATE BOATING FACILITIES BY THE DIVISION OF BOATING AND OCEAN RECREATION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES," was adopted.

Senator Kim, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3097) recommending that S.C.R. No. 78, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and S.C.R. No. 78, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF DEPARTMENT OF TAXATION CONTRACTS," was adopted.

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3098) recommending that S.C.R. No. 108, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 108, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE CONVENING OF A TASK FORCE TO ESTABLISH A CONSISTENT FUNDING FORMULA, PROCESS, OR BOTH, BY WHICH EQUITABLE FUNDING TO CHARTER SCHOOLS IS DETERMINED," was adopted.

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3099) recommending that S.C.R. No. 110, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 110, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A WORKING GROUP TO DEVELOP A COMPREHENSIVE PLAN TO IMPROVE AWARENESS OF AND STRENGTHEN SUPPORT FOR PERSONS WITH DYSLEXIA," was adopted.

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3100) recommending that S.C.R. No. 120, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 120, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII PUBLIC HOUSING AUTHORITY TO IMPROVE THE SAFETY OF THE RESIDENTS OF ITS HOUSING PROJECTS AND EXPRESSING SUPPORT FOR THE AUTHORITY'S PLAN TO IMPLEMENT THE TENANT MONITOR PROGRAM," was adopted.

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3101) recommending that S.C.R. No. 233, as amended in S.D. 1, be adopted.

Senator Sakamoto moved that Stand. Com. Rep. No. 3101 and S.C.R. No. 233, S.D. 1 be adopted, seconded by Senator Slom.

Senator Slom rose to request that his vote be cast "no."

At 11:51 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:52 a.m.

Senator Slom requested that his vote be cast "no" on Stand. Com. Rep. No. 3101/S.C.R. No. 233, S.D. 1, as well as on Stand. Com. Rep. No. 3086/S.C.R. No. 179, S.D. 2, and the Chair so ordered.

Senator Hemmings rose in support of the motion to adopt Stand. Com. Rep. No. 3101/S.C.R. No. 233, S.D. 1, as well as Stand. Com. Rep. No. 3086/S.C.R. No. 179, S.D. 2, and said as follows:

"I rise to speak in favor of the motion to approve these resolutions.

"Thank you, Madam President and colleagues. I do so with apprehension and for the only reason that I do not vote 'with reservations' on initiatives though I have grave reservations about some of these resolutions that commission studies, audits, and working groups. I believe, if you recall on the 3rd day at the beginning of this session, a very astute senator stood up and actually counted the number of studies and audits we commissioned, and noted the over 200 reports we received as a response of those audits, and fathomed what amount of time and money was spent on completing the work. And to add insult to the possible waste of energy and time and money of public employees who work on these things, many of the recommendations made by the audit—including, for instance, the very expensive audit we did on Hawai'i Health Care Systems—go totally unheard and unresponded to, and end up on the ash heap, I think were the terms, of the legislative process. I believe we're doing the same thing, and I don't think we can afford, in this year, the amount of money it will take to do all of these studies, working groups, and audits. It's a luxury we could well afford when we're awash in surplus budgets, but

that is no longer the case. We are in dire straits, and this represents a tremendous amount of time and money being spent by our public employees. Just the other day in Ways and Means when we were going over legislation, it was said, as a matter of testimony from the Deputy Director, that a great amount of employee time was spent on just this-responding to audits and studies and working groups. I'd like to say 'humorously'-but it may be paradoxical to you-but I think we really need do an audit and a study of the economic impact of studies and audits because I think it's very expensive and very unproductive; and oftentimes what they do is they replace us doing our job and making hard decisions based on facts we've known for years, such as geothermal and all the other things they've turned down in years gone by, and now they want to reopen it up by doing further studies or working groups to convene to get it done. We even, as you recall, had a resolution to study a superferry coming to Hawai'i. So, I hope that we consider the impact of these audits and studies as time goes on because I don't think, especially this year, we can afford them. Thank you, Madam President."

The motion was put by the Chair and carried, the report of the Committee was adopted and S.C.R. No. 233, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ATTORNEY GENERAL TO INVESTIGATE ACTIVITIES SURROUNDING THE STATE'S PURCHASE OF AUCTION RATE SECURITIES AND TO TAKE LEGAL ACTION AS APPROPRIATE," was adopted with Senator Slom voting "No".

Senator Kim, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3102) recommending that S.C.R. No. 234, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 234, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE STATE ATTORNEY GENERAL TO INVESTIGATE WHETHER TRANSIENT ACCOMMODATIONS AND GENERAL EXCISE TAXES ON THE INTERNET SALE OF TRANSIENT ACCOMMODATIONS ARE BEING ASSESSED, COLLECTED, AND REMITTED TO THE STATE AND TO TAKE APPROPRIATE LEGAL ACTION, AS NECESSARY," was adopted.

Senator Fukunaga, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 3103) recommending that S.C.R. No. 138, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 138, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STATUS REPORT FROM THE HAWAI'I CAPITAL CULTURAL COALITION," was adopted.

Senator Fukunaga, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 3104) recommending that S.R. No. 56, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 56, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING A STATUS REPORT FROM THE HAWAI'I CAPITAL CULTURAL COALITION," was adopted.

Senators Sakamoto and Takamine, for the Committee on Education and Housing and the majority of the Committee on Labor, presented a joint report (Stand. Com. Rep. No. 3105) recommending that S.C.R. No. 141, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the majority of the Committees was adopted and S.C.R. No. 141, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY OF SYSTEMS OR PLANS THAT MAY ACCOMMODATE THE DEPARTMENT OF EDUCATION'S NEED TO PROMOTE, RETAIN, AND COMPETITIVELY COMPENSATE PROFESSIONAL **EMPLOYEES** CERTAIN AREAS, WITHOUT REQUIRING THOSE EMPLOYEES TO ASSUME SUPERVISORY RESPONSIBILITIES, AND A STUDY OF THE ADVANTAGES AND DISADVANTAGES OF DEPARTMENT OF EDUCATION'S ADOPTION OF A SYSTEM SIMILAR TO THE UNIVERSITY OF HAWAII'S EXECUTIVE/MANAGEMENT SYSTEM," was adopted.

Senators Ige and Taniguchi, for the Committee on Health and the Committee on Judiciary and Government Operations, presented a joint report (Stand. Com. Rep. No. 3106) recommending that S.C.R. No. 211, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 211, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO CONVENE A WORKING GROUP TO EXAMINE OVERLAP AND CONFLICTS AMONG STATUTES RELATING TO PATIENT CARE DIRECTIVES RECOGNIZED IN HAWAII, INCLUDING PHYSICIAN ORDERS FOR LIFE SUSTAINING TREATMENT, "DO-NOT-RESUSCITATE" ORDERS, AND ADVANCE HEALTH CARE DIRECTIVES," was adopted.

Senators Espero and Fukunaga, for the Committee on Public Safety and Military Affairs and the Committee on Economic Development and Technology, presented a joint report (Stand. Com. Rep. No. 3107) recommending that S.C.R. No. 174, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 174, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION DESIGNATING THE PACIFIC AVIATION MUSEUM-PEARL HARBOR AT FORD ISLAND AS THE STATE MUSEUM OF AEROSPACE HISTORY," was adopted.

Senators Espero and Fukunaga, for the Committee on Public Safety and Military Affairs and the Committee on Economic Development and Technology, presented a joint report (Stand. Com. Rep. No. 3108) recommending that S.R. No. 77, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.R. No. 77, S.D. 1, entitled: "SENATE RESOLUTION DESIGNATING THE PACIFIC AVIATION MUSEUM-PEARL HARBOR AT FORD ISLAND AS THE STATE MUSEUM OF AEROSPACE HISTORY," was adopted.

Senator Espero, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 3109) recommending that S.C.R. No. 172, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 172, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF PUBLIC SAFETY AND THE HAWAII PAROLING AUTHORITY TO IDENTIFY UP TO FIVE HUNDRED

NON-VIOLENT INMATES WHO COULD BE INVOLVED IN A DAY REPORTING CENTER, BE MONITORED VIA TWENTY-FOUR HOUR/SEVEN DAYS A WEEK GPS ELECTRONIC MONITORING, BE INCLUDED IN AN EXTENDED WORK FURLOUGH PROGRAM, AND/OR BE ELIGIBLE FOR AN EARLY RELEASE PROGRAM," was adopted.

Senator Espero, for the Committee on Public Safety and Military Affairs, presented a report (Stand. Com. Rep. No. 3110) recommending that S.R. No. 75, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 75, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF PUBLIC SAFETY AND THE HAWAII PAROLING AUTHORITY TO IDENTIFY UP TO FIVE HUNDRED NON-VIOLENT INMATES WHO COULD BE INVOLVED IN A DAY REPORTING CENTER, BE MONITORED VIA TWENTY-FOUR HOUR/SEVEN DAYS A WEEK GPS ELECTRONIC MONITORING, BE INCLUDED IN AN EXTENDED WORK FURLOUGH PROGRAM, AND/OR BE ELIGIBLE FOR AN EARLY RELEASE PROGRAM," was adopted.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 3111) recommending that S.C.R. No. 167, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 167, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII STATE CENTER FOR NURSING TO EVALUATE THE NEED FOR AND RESOURCES REQUIRED TO ESTABLISH A CONTINUING EDUCATION PROGRAM FOR NURSES," was adopted.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 3112) recommending that S.C.R. No. 212, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 212, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO EXAMINE THE FEASIBILITY OF LOWERING THE AGE OF PHARMACY-ADMINISTERED VACCINATION RECIPIENTS TO NINE YEARS OLD," was adopted.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 3113) recommending that S.R. No. 108, S.D. 1, as amended in S.D. 2, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 108, S.D. 2, entitled: "SENATE RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO EXAMINE THE FEASIBILITY OF LOWERING THE AGE OF PHARMACY-ADMINISTERED VACCINATION RECIPIENTS TO NINE YEARS OLD," was adopted.

Senators Ige and Chun Oakland, for the Committee on Health and the Committee on Human Services, presented a joint report (Stand. Com. Rep. No. 3114), recommending that S.R. No. 80, as amended in S.D. 1, be referred to the Committee on Commerce and Consumer Protection.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.R. No. 80, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE DEVELOPMENT OF PROPOSED LEGISLATION MANDATING THE SIZE AND EXTENT OF A MANAGED CARE PLAN'S SPECIALTY NETWORK," was adopted.

Senators Fukunaga and Hee, for the Committee on Economic Development and Technology and the Committee on Water, Land, Agriculture, and Hawaiian Affairs, presented a joint report (Stand. Com. Rep. No. 3115) recommending that S.C.R. No. 224, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 224, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN UPDATE AND PRESENTATION ON THE STADIUM AUTHORITY'S EFFORTS TO TRANSFER THE RECREATIONAL USE RESTRICTION FROM THE STADIUM FACILITIES AND LANDS TO AN ALTERNATIVE STATE PARCEL," was adopted.

Senators Fukunaga and Hee, for the Committee on Economic Development and Technology and the Committee on Water, Land, Agriculture, and Hawaiian Affairs, presented a joint report (Stand. Com. Rep. No. 3116) recommending that S.R. No. 115, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.R. No. 115, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING AN UPDATE AND PRESENTATION ON THE STADIUM AUTHORITY'S EFFORTS TO TRANSFER THE RECREATIONAL USE RESTRICTION FROM THE STADIUM FACILITIES AND LANDS TO AN ALTERNATIVE STATE PARCEL," was adopted.

Senator Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 3117) recommending that S.C.R. No. 144, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 144, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO MEET OR EXCEED OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION POSITION BENCHMARKS FOR WORKPLACE SAFETY AND HEALTH AND CONDUCT A STUDY TO DETERMINE THE FEASIBILITY OF IMPLEMENTING A CONSTRUCTION SAFETY AND HEALTH PROGRAM IN THE STATE," was adopted.

Senator Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 3118) recommending that S.R. No. 65, as amended in S.D. 1, be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 65, S.D. 1, entitled: "SENATE RESOLUTION URGING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO MEET OR EXCEED OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION POSITION BENCHMARKS FOR WORKPLACE SAFETY AND HEALTH AND CONDUCT A STUDY TO DETERMINE THE FEASIBILITY OF IMPLEMENTING A CONSTRUCTION SAFETY AND HEALTH PROGRAM IN THE STATE," was adopted.

Senator Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 3119) recommending that S.C.R. No. 128 be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 128, entitled: "SENATE CONCURRENT RESOLUTION ENCOURAGING ALL PUBLIC AND PRIVATE EMPLOYERS IN THIS STATE TO USE E-VERIFY TO CONFIRM EMPLOYEE WORKPLACE ELIGIBILITY," was adopted.

Senator Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 3120) recommending that S.C.R. No. 201 be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 201, entitled: "SENATE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO ADOPT RULES TO PROHIBIT ABUSIVE WORK ENVIRONMENTS," was adopted.

Senator Takamine, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 3121) recommending that S.R. No. 100 be adopted.

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 100, entitled: "SENATE RESOLUTION URGING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS TO ADOPT RULES TO PROHIBIT ABUSIVE WORK ENVIRONMENTS," was adopted.

At this time, the Chair made the following announcement:

"Members, we skipped one item, so we are returning to House Communications."

### HOUSE COMMUNICATION

The following communication from the House (Hse. Com. Nos. 464) was read by the Clerk and was placed on file:

Hse. Com. No. 464, informing the Senate that H.B. No. 1642, H.D. 1, S.D. 2, C.D. 1 passed Final Reading in the House of Representatives on April 8, 2010.

## STANDING COMMITTEE REPORTS

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 3122) recommending that the Senate advise and consent to the nomination of TIN MYAING THEIN to the Language Access Advisory Council, in accordance with Gov. Msg. No. 219.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3122 and Gov. Msg. No. 219 was deferred until Monday, April 12, 2010.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 3123) recommending that the Senate advise and consent to the nomination of AARON FUJIOKA to the office of State Procurement Administrator, in accordance with Gov. Msg. No. 243

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3123 and Gov. Msg. No. 243 was deferred until Monday, April 12, 2010.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 3124) recommending that the Senate advise and consent to the nomination of SAMUEL MOKU to the Civil Rights Commission, in accordance with Gov. Msg. No. 293.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3124 and Gov. Msg. No. 293 was deferred until Monday, April 12, 2010.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 3125) recommending that the Senate advise and consent to the nominations to the Hawaii State Council for Interstate Juvenile Supervision of the following:

DENNIS M. DUNN, in accordance with Gov. Msg. No. 294; and

DENNIS M. DUNN, in accordance with Gov. Msg. No. 295.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3125 and Gov. Msg. Nos. 294 and 295 was deferred until Monday, April 12, 2010.

Senator Taniguchi, for the Committee on Judiciary and Government Operations, presented a report (Stand. Com. Rep. No. 3126) recommending that the Senate advise and consent to the nominations to the Interstate Compact for Juveniles of the following:

WENDELL K. KIKUCHI, in accordance with Gov. Msg. No. 296; and

WENDELL K. KIKUCHI, in accordance with Gov. Msg. No. 297.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3126 and Gov. Msg. Nos. 296 and 297 was deferred until Monday, April 12, 2010.

Senator English, for the Committee on Transportation, International and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3127) recommending that the Senate advise and consent to the nomination of EUGENE A.H. MAGNIER MD to the Medical Advisory Board, in accordance with Gov. Msg. No. 389.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3127 and Gov. Msg. No. 389 was deferred until Monday, April 12, 2010.

Senator English, for the Committee on Transportation, International and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3128) recommending that the Senate advise and consent to the nomination of LEO MAHER MD, MHA, FAAN to the Medical Advisory Board, in accordance with Gov. Msg. No. 390.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3128 and Gov. Msg. No. 390 was deferred until Monday, April 12, 2010.

Senator English, for the Committee on Transportation, International and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3129) recommending that the Senate advise and consent to the nomination of ALAN SERIKAWA to the Medical Advisory Board, in accordance with Gov. Msg. No. 391.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 3129 and Gov. Msg. No. 391 was deferred until Monday, April 12, 2010.

## ORDER OF THE DAY

## ADVISE AND CONSENT

Stand. Com. Rep. No. 3076 (Gov. Msg. No. 242):

Senator Hee moved that Stand. Com. Rep. No. 3076 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Hee then moved that the Senate advise and consent to the nomination of KAULANA PARK to the office of Chairman of the Department of Hawaiian Home Lands, term to expire December 31, 2010, seconded by Senator Tokuda.

Senator Hee rose in support of the nominee as follows:

"Members, this particular Governor's Message is to appoint Kaulana Park as Chairperson of the Hawaiian Homes Commission and Director of the Department of Hawaiian Home Lands. Your Committee heard extensive testimony, despite my efforts to encourage them to be brief; that's not part of who we are. Nonetheless, there was an effort to be brief, so we were privileged with the testimony offered by any number of individuals, homesteaders, and community leaders, as well as cabinet members of the present administration. I can say this about the nominee, having known him when I was chairman of the Office of Hawaiian Affairs: He is a young man whose future as a leader is very bright, and he has the opportunity and privilege to be a mentor to the next generation of young people, Hawaiian and others alike. He has the opportunity to lead this department knowing that his term will come to an end with the present governor's administration; and therefore, as I have shared with him, he has a modicum of immunity to do decision making with a fair amount of impunity, as well, because he has the privilege of knowing his stint as a nominee, at least for this administration, is short.

"This, however, as has been pointed out to me and as I agree, is just the beginning of this young man's career as he moves forward in service to the public. He is a young man who has demonstrated his accomplishments as an athlete at my alma mater, as well as at Stanford University, and has experience in the business sector as well with the banking industry.

"It isn't often that someone as accomplished as this young man is comes before this assembly for consideration as the Director of the Department of Hawaiian Home Lands. He does not come without his challenges, which was made clear many times before your Committee, and also I believe before some of you before whom others have visited. On the other hand, it is my understanding these issues have been flushed out, he has availed himself to be cognizant of the concerns of others; and it is with that confidence, Madam President and members, that I stand before you in support of the nominee and urge you to support Kaulana Park as Chairman of the Department of Hawaiian Home Lands. Thank you, Madam President."

Senator Hemmings rose in support of the nominee as follows:

"It's very difficult to follow the articulate endorsement of the previous speaker, but I'll attempt to do so. The nominee is just what has been said about him: young, bold, intelligent, knowledgeable. I would note that possibly could be held against him that he graduated from the previous speaker's alma mater and not Punahou, but other than that, we think he's eminently qualified to serve the people of Hawai'i and to serve the Hawaiian community in a capacity of head of this department. Thank you, Madam President."

Senator Galuteria rose in support of the nominee as follows:

"Members, Kaulana Park is a true son of Hawai'i. It's not going to be easy for me to follow the two previous speakers, but I'll try my best to be brief as the Chair had recommended.

"His diligence, hard work, and determination generally result in success, the same success that resulted as a running back at Stanford University, as Chair had mentioned. Effective leadership on the football field, though, comes in many different forms. There are the fiery leaders exhorting teammates throughout the games and the emotional firebrands in the locker room belting out impassioned speeches (like this

one right now). Then there are the more quiet type of leaders like Kaulana Park, a polite, mild-mannered man who simply works hard, exudes toughness, and, when he needs to, he lowers his head and plays smash ball, which is what we want. For those of us who've played the game or appreciate the game, that is the metaphor that I'm speaking through; and if you do know football, you'll know that the fullback position-and I recall Kaulana being a fullback at Stanford—is frequently underappreciated. It's all get-down-and-dirty physical play. You're almost an offensive lineman, except you get to touch the ball every now and then. You're certainly the lead through the hole, and you're required to take the first hit and get up after every play to do it all again. Maybe even giving the credit or admiration to others behind him, but returning to the huddle with the common purpose to move the ball forward, knowing that with patience and determination you'll reach that goal line. And in our case, colleagues, our common goal is maintaining and improving the quality of life for Hawaii's residents, especially in times of great economic challenge that we face today. Kaulana's charge will be to fulfill the Department of Hawaiian Home Lands' commitment to native Hawaiians, while working with all of us together in our combined efforts to uplift the entire community.

"Up to this moment, his public history has been exceptional, working with state agencies, the private sector, faith-based community, advocates, non-profit organizations, counties, and so on, but going forward-and I wanted to mention this, Madam President because one of Kaulana's enduring legacies will be his leadership and the plans by the DHHL and Kamehameha Schools to develop a 300-acre learning community in Makaha Valley, which is your district, Madam President. Both parties have now agreed to clear the way for more detailed planning, integrating educational housing, traditional practices, and affordable energy-efficient housing, creating a modern-day ahupua'a, as our nominee likes to refer to it as. And pending legislation also allows for DDHL to seek partnerships to offer affordable housing solutions in the urban corridor, so young professionals who choose to work and raise their families in metropolitan Honolulu will have choices. And I look forward to working with the nominee in this area if he is indeed confirmed.

"In closing Madam President, three things struck me about Kaulana Park. First, a higher purpose, as I listened to his testimony at the Committee that submitted him to the floor: His purpose in life is to be a father first, a husband, serving the community, and make our Hawai'i better. The second thing that struck me about him is his caring about his superiors, and subordinates as well. And finally his faith; and whatever your faith is, is it helping you lead? And I believe it does for Kaulana Park.

"So, in conclusion, these traits: humility, grace, quiet strength, and purposeful innovation lead me to believe Kaulana Park is the right man to lead the Department of Hawaiian Home Lands at this time in our history, and I ask members to support his appointment as Chair. Mahalo, Madam President."

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

Ayes, 23. Noes, none. Excused, 2 (Takamine, Tsutsui).

At this time, Senator Hee introduced Kaulana Park, who was accompanied by his wife Dianne Park; his youngest child Kawaimaluhia Park; sisters Puamana Kimmie Park, Soo Whan Pumehana Cullen, and Soo Nie Park Ledbetter; brother-in-law Joe Ledbetter; nephews Thomas and Louis Santos; close family friend Lani Kaaa; uncle James Pai, Sr.; aunt Alice Greenwood; Bo Kahui, Executive Director of Laiopua 2020; and Executive Secretary Lani Hoomana, Executive Assistant Bobby Hall, and

Deputy Director Anita Wong from the Department of Hawaiian Home Lands.

At 12:09 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:14 p.m.

### ADOPTION OF RESOLUTIONS

## MATTERS DEFERRED FROM THURSDAY, APRIL 8, 2010

Stand. Com. Rep. No. 3077 (S.C.R. No. 237, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 237, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A WORKING GROUP TO CONSIDER LEASING OR RENTING PUBLIC SCHOOL CAFETERIAS TO VALUE-ADDED FOOD PROCESSORS TO PROMOTE THE USE OF LOCALLY-GROWN FRESH PRODUCE IN SCHOOL MEALS," was adopted.

Stand. Com. Rep. No. 3078 (S.C.R. No. 186, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 186, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING REPORTS ON THE ECONOMIC VALUE OF EXPANDED WORKFORCE DEVELOPMENT CAPACITY AND STEM INITIATIVES," was adopted.

Stand. Com. Rep. No. 3079 (S.R. No. 86, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.R. No. 86, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING REPORTS ON THE ECONOMIC VALUE OF EXPANDED WORKFORCE DEVELOPMENT CAPACITY AND STEM INITIATIVES," was adopted.

Stand. Com. Rep. No. 3080 (S.C.R. No. 150):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the joint report of the Committees was adopted and S.C.R. No. 150, entitled: "SENATE CONCURRENT RESOLUTION PROCLAIMING SEPTEMBER 26, 2010, AS MESOTHELIOMA AWARENESS DAY," was adopted.

Stand. Com. Rep. No. 3081 (S.C.R. No. 223, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 223, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONVENE A WORKING GROUP TO REVISE AND UPDATE THE HAWAII LEGISLATIVE DRAFTING MANUAL," was adopted.

Stand. Com. Rep. No. 3082 (S.R. No. 114, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 114, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONVENE A WORKING GROUP TO REVISE AND UPDATE THE HAWAII LEGISLATIVE DRAFTING MANUAL," was adopted.

Stand. Com. Rep. No. 3083 (S.C.R. No. 151):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 151, entitled: "SENATE CONCURRENT

RESOLUTION REQUESTING THE DEVELOPMENT AND AIRING OF PUBLIC SERVICE ANNOUNCEMENTS ON COMMERCIAL PASSENGER AIR FLIGHTS TO THE STATE ON THE IMPORTANCE OF CARING FOR THE STATE'S UNIQUE AND FRAGILE ECOSYSTEM," was adopted.

Stand. Com. Rep. No. 3084 (S.C.R. No. 20, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 20, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ASSIST PUBLIC SCHOOLS STATEWIDE IN ADOPTING AND IMPLEMENTING COMPREHENSIVE CAMPUS RECYCLING POLICIES," was adopted.

Stand. Com. Rep. No. 3085 (S.C.R. No. 210, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 210, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF AN ADVISORY COMMITTEE TO MAKE RECOMMENDATIONS REGARDING THE CREATION OF A HAWAII ALL-PAYER HEALTH CLAIMS DATABASE FOR THE PURPOSE OF TRANSPARENT PUBLIC REPORTING OF HEALTH CARE INFORMATION," was adopted.

Stand. Com. Rep. No. 3086 (S.C.R. No. 179, S.D. 2):

Senator Sakamoto moved that Stand. Com. Rep. No. 3086 and S.C.R. No. 179, S.D. 2 be adopted, seconded by Senator Slom

Senator Slom requested that his vote be cast "no," and the Chair so ordered.

Having previously risen in support of the measure, Senator Hemmings' remarks read as follows:

"I rise to speak in favor of the motion to approve these resolutions.

"Thank you, Madam President and colleagues. I do so with apprehension and for the only reason that I do not vote 'with reservations' on initiatives though I have grave reservations about some of these resolutions that commission studies, audits, and working groups. I believe, if you recall on the 3<sup>rd</sup> day at the beginning of this session, a very astute senator stood up and actually counted the number of studies and audits we commissioned, and noted the over 200 reports we received as a response of those audits, and fathomed what amount of time and money was spent on completing the work. And to add insult to the possible waste of energy and time and money of public employees who work on these things, many of the recommendations made by the audit-including, for instance, the very expensive audit we did on Hawai'i Health Care Systems-go totally unheard and unresponded to, and end up on the ash heap, I think were the terms, of the legislative process. I believe we're doing the same thing, and I don't think we can afford, in this year, the amount of money it will take to do all of these studies, working groups, and audits. It's a luxury we could well afford when we're awash in surplus budgets, but that is no longer the case. We are in dire straits, and this represents a tremendous amount of time and money being spent by our public employees. Just the other day in Ways and Means when we were going over legislation, it was said, as a matter of testimony from the Deputy Director, that a great amount of employee time was spent on just this—responding to audits and studies and working groups. I'd like to say 'humorously'-but it may be paradoxical to you-but I think we really need do an audit and a study of the economic impact

of studies and audits because I think it's very expensive and very unproductive; and oftentimes what they do is they replace us doing our job and making hard decisions based on facts we've known for years, such as geothermal and all the other things they've turned down in years gone by, and now they want to reopen it up by doing further studies or working groups to convene to get it done. We even, as you recall, had a resolution to study a superferry coming to Hawai'i. So, I hope that we consider the impact of these audits and studies as time goes on because I don't think, especially this year, we can afford them. Thank you, Madam President."

The motion was put by the Chair and carried, the report of the Committee was adopted and S.C.R. No. 179, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT OF PROPOSED LEGISLATION MANDATING THE SIZE AND EXTENT OF A MANAGED CARE PLAN'S SPECIALTY NETWORK," was adopted with Senator Slom voting "No".

Stand. Com. Rep. No. 3087 (S.C.R. No. 205, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 205, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO MAKE RECOMMENDATIONS REGARDING SIMPLIFICATION OF SPECIALTY LICENSE CLASSIFICATIONS FOR CONTRACTORS," was adopted.

Stand. Com. Rep. No. 3088 (S.R. No. 104, S.D. 1):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 104, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO MAKE RECOMMENDATIONS REGARDING SIMPLIFICATION OF SPECIALTY LICENSE CLASSIFICATIONS FOR CONTRACTORS," was adopted.

Stand. Com. Rep. No. 3089 (S.C.R. No. 42, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 42, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR LOCAL ACCOUNTABILITY OF DRUG FORMULARIES AND DRUG PRIOR AUTHORIZATION POLICIES," was adopted.

Stand. Com. Rep. No. 3090 (S.R. No. 27, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 27, S.D. 2, entitled: "SENATE RESOLUTION EXPRESSING SUPPORT FOR LOCAL ACCOUNTABILITY OF DRUG FORMULARIES AND DRUG PRIOR AUTHORIZATION POLICIES," was adopted.

Stand. Com. Rep. No. 3091 (S.C.R. No. 123, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and S.C.R. No. 123, S.D. 2, entitled: "SENATE CONCURRENT RESOLUTION URGING THE BOARD OF NATUROPATHIC MEDICINE TO ADOPT RULES CONSISTENT WITH ACT 22, SPECIAL SESSION LAWS OF HAWAII 2009, TO ALLOW NATUROPATHIC PHYSICIANS TO PERFORM PARENTERAL THERAPY," was adopted.

Stand. Com. Rep. No. 3092 (S.R. No. 53, S.D. 2):

On motion by Senator Sakamoto, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and S.R. No. 53, S.D. 2, entitled: "SENATE RESOLUTION URGING THE BOARD OF

NATUROPATHIC MEDICINE TO ADOPT RULES CONSISTENT WITH ACT 22, SPECIAL SESSION LAWS OF HAWAII 2009, TO ALLOW NATUROPATHIC PHYSICIANS TO PERFORM PARENTERAL THERAPY," was adopted.

S.C.R. No. 91, S.D. 1:

On motion by Senator Sakamoto, seconded by Senator Slom and carried, S.C.R. No. 91, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING AN INVESTIGATING COMMITTEE TO INVESTIGATE CONTESTED CHILD CUSTODY PROCEEDINGS INVOLVING THE COMMISSION OF FAMILY VIOLENCE BY A PARENT, AND TO ASSESS THE USE AND APPLICATION OF SECTION 571-46, HAWAII REVISED STATUTES," was adopted.

S.C.R. No. 122, S.D. 1:

On motion by Senator Sakamoto, seconded by Senator Slom and carried, S.C.R. No. 122, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII STATE LEGISLATURE TO CONVENE A HAWAII HEALTH CARE SUMMIT TO DEVELOP A STRATEGIC AND COMPREHENSIVE PLAN FOR HEALTH CARE IN HAWAII," was adopted.

S.C.R. No. 146, S.D. 1:

On motion by Senator Sakamoto, seconded by Senator Slom and carried, S.C.R. No. 146, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE CONVENING OF A HEALTH CARE REFORM TASK FORCE TO EVALUATE METHODS TO IMPROVE THE QUALITY, SAFETY, EFFICIENCY, AND COST OF HAWAII'S HEALTH CARE SYSTEM, TO REDUCE MEDICAL ERRORS AND INCREASE PATIENT SAFETY, TO SEEK SOLUTIONS TO ELIMINATE DOCTOR SHORTAGES, AND TO ADDRESS THE ROLE AND IMPACT OF THE LEGAL SYSTEM IN COMPENSATING VICTIMS INJURED BECAUSE OF MEDICAL ERRORS," was adopted.

## FINAL READING

S.B. No. 1178, S.D. 2, H.D. 2:

Senator Ige moved that S.B. No. 1178, S.D. 2, H.D. 2 pass Final Reading, seconded by Senator Baker.

Senator Hemmings rose in support of the measure as follows:

"I speak in favor of it out of necessity. We have to make this emergency appropriation in order to receive federal funds to continue a \$1.2 billion health insurance program for those who cannot afford to pay their own.

"I have to remark that it was just last week that Federal Reserve Chairman Ben Bernanke commented on the future. He specifically said that Medicaid, Medicare, and Social Security are going to bankrupt our nation; \$1.2 billion—\$100 million a month—to insure 251,000 people approximately in Hawai'i. Twenty percent of the population cannot care for their own health care for a number of reasons, many of them through no fault of their own.

"We're doing nothing to address the long-term liability of this which will bankrupt the nation and Hawai'i, and we're doing nothing to really, despite recent legislation passed in Washington, D.C., to address some underlying problems with the cost of medical insurance such as medical malpractice insurance; lawsuits, what I call tort extortion; lawyers who sue on frivolous cases, knowing full well that the defendant cannot afford to spend two years and \$300,000 to defend themselves and settle for \$200,000. We've done nothing to create more

interstate competition with insurance companies, nothing to give tax credits to those hardworking people who pay for their own medical insurance through medical savings plans, increasing their benefits. Madam President, if we continue once again on the path we're on with just underwriting these programs as they spin out of control, it will do what is happening in California and possibly would—I would never have thought I'd see the day—may happen to the nation: We'll run out of money. So I would caution that, though this is a necessary expenditure, that we'd better take a serious look at what is happening and what the costs are because there may come a day when no one will have health insurance because our nation cannot afford it. Thank you, Madam President."

Senator Slom rose in opposition to the measure as follows:

"Every year, we have a request for an emergency appropriation. Every year, we grant it. Every year, we don't go in the right direction to make adjustments, corrections, or changes.

"I echo the words of the Minority Leader in terms of the frustration with this and with the numbers of people who do not have coverage. He alluded to the people that, through no fault of their own don't have coverage, but there are also people that do not, like auto insurance, choose to have the coverage or choose to do the necessary things possible.

"I certainly want the department and the agencies to make timely payments, and I don't want anybody cut off, but I ask, 'When are we going to get serious about this and when are we going to make systemic changes in the Medicaid program?' Just as we asked the same situation, 'When are we going to make the systemic changes in education?' Because every year is an emergency. We're in difficult times right now, but even in the best of times we've had the same situation because we've not applied our best and most workable solutions. So that's why, at this time, I'm going to register my 'no' vote. Thank you."

Senator Chun Oakland rose in support of the measure as follows:

"To my knowledge, we have not had an emergency appropriation bill for Medicaid in, I think, six or seven years; and I do support the need to look at better ways to reduce the cost of Medicaid. I know we formed an informal Medicaid shortfall task force, looking at more long-term ways to improve the overall effectiveness, the reduction in high utilization of certain services that have been cost-drivers in the past. So, I really do look forward to that effort, and hopefully we can do things a lot smarter but at the same time be able to cover the health care services for folks that do need it. Thank you."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 1178, S.D. 2, and S.B. No. 1178, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Slom). Excused, 3 (English, Takamine, Tsutsui).

S.B. No. 2139, S.D. 2, H.D. 2:

On motion by Senator Espero, seconded by Senator Kim and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2139, S.D. 2, and S.B. No. 2139, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

### S.B. No. 2163, S.D. 2, H.D. 1:

On motion by Senator Ige, seconded by Senator Baker and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2163, S.D. 2, and S.B. No. 2163, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF NURSING," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

## S.B. No. 2390, S.D. 2, H.D. 2:

On motion by Senator Ige, seconded by Senator Baker and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2390, S.D. 2, and S.B. No. 2390, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIST LICENSURE," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

## S.B. No. 2597, H.D. 1:

On motion by Senator Baker, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2597, and S.B. No. 2597, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYERS' MUTUAL INSURANCE COMPANY," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

## S.B. No. 2611, S.D. 2, H.D. 2:

On motion by Senator Ige, seconded by Senator Kim and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2611, S.D. 2, and S.B. No. 2611, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO VITAL STATISTICS," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

# S.B. No. 2701, 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. 2701, S.D. 1, and S.B. No. 2701, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

## S.B. No. 2770, S.D. 1, H.D. 2:

On motion by Senator Ige, seconded by Senator Baker and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2770, S.D. 1, and S.B. No. 2770, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REMOTE DISPENSING PHARMACY," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

### S.B. No. 2803, S.D. 1, H.D. 1:

On motion by Senator Tokuda, seconded by Senator Sakamoto and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2803, S.D. 1, and S.B.

No. 2803, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE REGENTS CANDIDATE ADVISORY COUNCIL," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (English, Takamine, Tsutsui).

### S.B. No. 2840, S.D. 2, H.D. 1:

Senator Takamine moved that S.B. No. 2840, S.D. 2, H.D. 1 pass Final Reading, seconded by Senator Kim.

Senator Bunda rose in support of the measure as follows:

"Colleagues, I believe we are about to make history with this bill. It requires that at least 80 percent of the workers in public works contracts and construction procurements be Hawai'i residents

"According to a 2010 report regarding the cost of out-of-state construction workers by Dr. Peter Philips from the University of Utah and Dr. Kevin Duncan from Colorado State University, the benefits of having local workers on local state construction projects does more than just benefit the construction industry. For example, local construction workers get jobs, their local spending stimulates local businesses, and local businesses generate more tax revenue. That stimulus creates even more jobs for locals in other sectors of the economy, and the public infrastructure built with taxpayer money lays the foundation for a more efficient and competitive economy. Non-resident employees working on construction procurement contracts inject very little into the local economy, sending most of their wages to their home states to support their families there instead.

"The \$11 million Aloha Stadium project could have hired 50 construction workers. The project was awarded to a mainland company instead who hired all non-residents, and the local economic activity associated with the project decreased by approximately by \$1 million, and \$72,000 in state and local taxes. If the 80 percent resident requirement had been applied to this project, the economic activity would have pumped roughly \$800,000 into the local economy.

"If a project that hires 50 out-of-state workers has \$1 million impact, imagine the ramifications the upcoming rail project will have if non-resident workers are used. Building the rail system will create hundreds of construction jobs, but if most of the jobs aren't given to local residents, it could greatly impact our economy. With Hawaii's construction wages being 5 to 60 percent higher than their mainland counterparts, it will entice workers from other states where the unemployment rates are even worse. 'Local jobs for local people' means that that money made in Hawai'i stays in Hawai'i. I urge all of you to support this measure. Thank you, Madam President."

Senator Slom rose in opposition to the measure as follows:

"While I listened to all the words of my good friend and colleague from the North Shore, I respectfully disagree. It may be historic, if in fact the Legislature passes this bill, but it will again put a negative face on doing business in Hawai'i and on our business climate.

"I feel very troubled that over the last few years we have become more and more provincial in our outlook, and more and more trying to build fences that say us versus them. Last time I checked, we were a part of the United States of America. We did celebrate out 50<sup>th</sup> anniversary of statehood, and yet we've got a lot of things that have been brewing locally to try to deny anyone from outside of Hawai'i doing anything. Yet the facts of the matter are, particularly if you're looking at the Aloha Stadium contract, we didn't have locally qualified and certified employees that could do that job; otherwise, they would have

done that job. And I certainly agree that when the rail project, if it goes any further—and I don't think it will go much further than the fields of Kapolei—but if it goes further, and after they're done taking away residence and businesses as they keep changing routes, they will find that not 80 percent of local employees in the construction industry can do the jobs that are required in this particular project, and that's the pure and simple truth.

"Now we have all kinds of educational and training programs, and maybe we should start training local employees to do these jobs because even if the rail transit on Oʻahu continues at this pace, it'll be another 15 or 20 years before we really need the construction, so we'll have time educate them.

"But the simple truth is this: When we talk about doing jobs, we also have another consideration, and that is the entire cost and the cost to local people, local families, local small businesses. The fact is that in many cases, by not allowing bids from outside our state or not finding the most qualified and the most productive and the best cost, we wind up charging an additional tax to local families and local residents. I'm all for using local people, local products-that's why I'm involved right now in a process to try to buy and keep local a local newspaper—but if it can't be done, if these things can't be done, or there are great changes in cost, or if we don't qualify, then we should embrace the idea that we want to improve our business climate, and we want to get the best cost and the best projects for everyone. If we increase our business climate and make it more hospitable, then instead of dividing up the same pie, we'll be able to bake additional pies. There'll be additional jobs, additional revenue, and additional opportunities. Thank you, Madam President."

Senator Hemmings rose in opposition to the measure as follows:

"I, too, would like to echo the previous speaker's respect for the endorser of this bill, who spoke first, but I think over the long haul, if you look at it, it's just another straw in the demise on the back of the economy.

"You have to ask why mainland companies-and this does only affect large projects such as the Stadium, but even gets down to local contracting-why mainland companies can fly crews into Hawai'i, do the work, collect the money, and fly back to the mainland, and make a profit when our own companies can fail to compete with the additional overhead the mainland companies encompass by travel. And the answer is because of the rules and regulations and 'strangle-ization' of the business here in Hawai'i. The amount of time it takes to get permits, all the mandates on employers, all the taxes, all the hidden taxes-all of those things add up to Hawai'i being a place where local people can't afford to compete in their own state for their own state's business; and we're responsible for that. And this bill is not going to help. It's just going to drive up costs more, and eventually the local people that are working on the projects probably won't be able to afford to consume some of the goods and commodities that the projects they're working on are bringing to the market.

"And there's another point that I think is well-worth. I met with private sector buildings and trade labor leader, and they're desperate. They're desperate; and these are people that work. These are people that get up at 5:00 in the morning, drink their coffee, hammer nails, dig holes, build buildings. They are people that work with their hands and make Hawai'i what it is. Great majority of them are out of work. They're frankly looking to the rail line to be the savior; taxpayers spending \$3-, \$4-, \$5 billion dollars on a rail system, the finances of that I can't understand.

"But what has this Legislature done in ensuring years? We had a \$600 million project stopped; \$600 million of private money that could have been a shovel in the ground now. The workers would have been working now. It was Kaka'ako redevelopment. I was talking about it to a legislator colleague Senate member just the other day about it, and she said, 'Well, you saw the protest.' And I said, 'Yeah, I did see the protest.' We're a state of 1.3 million people. If 100, 200 people come down here with red shirts on and blow conch shell and say they don't want something, is it responsible for us to say, 'Oh, we're exceeding to the will of the people?' If we get 1,000 e-mails opposing something, are we supposed to stop it? Public opinion comes and goes with the tide, with the wind. Public gets information, they support something. They get different information, they reverse themselves. My point is that in a republic, we're supposed to do what's best for the most, for the longest, in our learned opinion, in concert with the public sentiment, but not oftentimes yielding to a recalcitrant neighborhood board or a handful of protestors.

"This bill is not going to help the private sector buildings and trade industry if there's no work here, and that's what this bill will further increase. The Kaka'ako development by Amfac and the \$600 million project could have been in the works right now, and it's not—because of us.

"So Madam President, I really think, if you look at these bills as well intentioned as they are, you measure out the empirical evidence of what they have done to the cost-of-living, to employment opportunities, and to jobs in Hawai'i, you would join the good senator from Hawai'i Kai and I in voting 'no.' Thank you, Madam President."

Senator Espero rose in support of the measure as follows:

"'Local jobs for local people': A basic, simple concept that if you probably go to any jurisdiction in any city, any state, any country, they will agree, 'Yes, we want local jobs for local people. We want to make sure our citizens are fed, our citizens have a place to live, that we could send our children to school, and that we have a quality of life better than that which we were brought up with.' Local jobs for local people.

"I must respectfully disagree with our two senators opposed to this measure that this will have a negative face on business in Hawai'i. That is not true. That is incorrect. As was stated in a previous meeting or session, there are many businesses that want to come to Hawai'i, and there are many businesses who, when they open, are the top franchises in the U.S. of A., and I know in 'Ewa Beach, there are some of those.

"There's also a comment that this will be another straw in the demise of our economy. Not true. Our economy is already 'demised.' Because of the economy, worldwide, globally, what's been happening over the years, this bill will help our economy if there are construction jobs because there will be local jobs for local people. It just makes common sense, members, and I urge you to support this bill. Thank you."

Senator Chun Oakland rose in support of the measure as follows:

"I would like the words of the Senator from Wahiawa to be inserted as if they were my own. (The Chair so ordered, by reference only.) Thank you."

Senator Hooser rose in support of the measure as follows:

"I would like the words of the Senator from 'Ewa Beach and the Senate President emeritus entered into the record as if they were my own. (The Chair so ordered, by reference only.) Support local jobs for local people. Thank you."

Senator Galuteria rose in support of the measure as follows:

"The question is, colleagues: Why are contractors bringing in workers when we have so many unemployed locals who could work in trades? I speak in favor of the measure. As the economy improves, we must ensure that the jobs created when confidence returns stay home. Back in August, we were all enraged when an \$11 million Aloha Stadium reconstruction project was awarded to a mainland company. This local jobs bill that stands before us is so important in keeping Hawai'i going during, not only the economic crisis, but during the economic recovery. The trades unemployment rate is high across the state: 40 to 50 percent on O'ahu, 80 percent on Maui, 92 percent on the island of Hawai'i. Let's move this bill forward quickly, and get it up to the Governor's desk as soon as possible. Thank you, Madam President."

Senator Hemmings rose in rebuttal and said:

"It's a great campaign slogan: 'Local jobs for local people.' I asked two questions; not one of the previous speakers answered it. Why can't local contractors afford to compete in their own market? No one answered it. I answered it: Because the cost of doing business in Hawai'i by regulation and taxation makes it so that mainland contractors can fly all the way to Hawai'i and take jobs from local people. Why don't we fix the problem rather than coming up with campaign slogans like 'local jobs for local people'?

"The second question I asked is: Why don't we make private investment in public projects easier? No one answered why this Legislature stopped \$600 million being invested in redeveloping state land, which we cannot ourselves afford to redevelop with taxpayers' resources, in Kaka'ako? Now, I know the excuse I got was that a handful of people in red shirts didn't want it to happen. They actually got a couple surfers to come down here and say it might interfere with their exclusive use of the surf at Kaka'ako, or Kewalos. And you know what we did? 'Oh okay, we'll stop a \$600 million project because your parking lot might get too filled.' I'll also mention that that project did have a surfing park in it and was developing a great portion of the land for recreational use for the people of Hawai'i and affordable housing.

"So those are the two questions. No one's answered them, but you just go ahead and vote what's convenient and what sounds good, as we usually do, and you'll get the same results. Thank you, Madam President."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2840, S.D. 2, and S.B. No. 2840, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 2 (Hemmings, Slom). Excused, 4 (English, Gabbard, Takamine, Tsutsui).

S.B. No. 2898, S.D. 1, H.D. 1:

On motion by Senator Ige, seconded by Senator Baker and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2898, S.D. 1, and S.B. No. 2898, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DIVERSION PROGRAM FOR CHEMICALLY DEPENDANT NURSES," passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, none. Excused, 4 (English, Gabbard, Takamine, Tsutsui).

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 this afternoon."

# REFERRAL OF HOUSE CONCURRENT RESOLUTIONS

The President made the following committee assignments of House concurrent resolutions received on Thursday, April 8, 2010:

H.C.R. No.: Referred to:

H.C.R. No. 68 Jointly to the Committee on Health

and the Committee on Economic

Development and Technology

H.C.R. No. 76, H.D. 1 Jointly to the Committee on Human

Services and the Committee on Transportation, International and Intergovernmental Affairs

H.C.R. No. 89 Committee on Water, Land,

Agriculture, and Hawaiian Affairs

### RE-REFERRAL OF A MESSAGE FROM THE GOVERNOR

The Chair re-referred the following Governor's Message that was received:

Gov. Msg. No.: Re-referred to:

and Environment and the Committee on Economic Development and

Technology

## MISCELLANEOUS BUSINESS

## MOTIONS TO OVERRIDE VETOES

S.B. No. 771, S.D. 1, H.D. 1:

In accordance with Article III, Section 17 of the Hawai'i State Constitution, Senator Hooser moved that the Senate override the veto of S.B. No. 771, S.D. 1, H.D. 1, as contained in Gov. Msg. No. 368, seconded by Senator Sakamoto.

Senator Baker rose in support of the motion to override the veto as follows:

"This is a bill that will provide lessees facing a rent increase with the reasons for a lease-rent increase, a rational basis for same. It will streamline the standards that real estate appraisers use in determining the cost of a property. Example: the fair market value used in the calculation, as well as the basis for that number, and the rate of return and the reason for that number. By using the Uniform Standards of Professional Appraisal Practice (USPAP for short), both in practice of appraisals and arbitration of real estate transactions, we can ensure that leasehold homeowners are treated fairly when their lease rent is being renegotiated.

"We heard the testimony from members of the appraisal and the real estate industries, both the pros and cons of this measure, and your Committee and our House counterpart moved out this measure to address the concerns of pricing property at its fair market value, not highest and best use. I might add that this measure passed unanimously on this Senate floor last year.

"This bill requires real estate appraisers to use the Uniform Standards of Professional Appraisal Practice when conducting appraisals, as well as when an appraiser acts as an arbitrator in a real estate arbitration proceeding. Why? Because using USPAP provides a kind of quality assurance; everybody knows what rationale is going to be used. When arbitrators don't comply with the USPAP standard and instead use highest-and-best-use standards, the value is artificially inflated, which results in value that exceeds fair rental value, and that

undermines the process in establishing lease rents – a process that was clearly intended to provide for the fair determine of lease rental values.

"We believe it is appropriate that the law be extended to provide the same legal considerations and reporting be provided when an appraiser is sitting on a panel as an arbitrator and ultimately determining the value of the rental rates for real estate. In our attempt to protect consumers against inaccurate and erroneous property appraisals, this measure forces the usage of the USPAP standards to secure consistent practices by appraisers and arbitrators. Considering the recent activities within the real estate market, this measure looks to secure adequate protection for consumers and fair practices for the real estate industry. I urge all of my colleagues to vote in favor of this override. Mahalo."

Senator Hemmings rose in support of the motion to override the veto as follows:

"I, too, remember the vote on this legislation, and I, too, would like to echo the points made by the previous speaker. I know the Chairman of the Consumer Protection Committee worked very hard on this initiative, and it is supported by a number of different interests in Hawai'i; and the fact is that it will help protect consumers in Hawai'i. Therefore, I wish the Senate unanimously vote to override the veto."

Senator Chun Oakland rose in support of the motion to override the veto as follows:

"I stand in support of this measure and would like to insert remarks into the Journal."

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

"I rise in support of overriding the Governor's veto for Senate Bill No. 771, House Draft No. 1 (S.B. No. 771), which the Legislature passed on March 5, 2010, and the Governor vetoed on March 19, 2010. This is a reasonable and logical bill that should become law

"As you may know, Senator Sakamoto and I introduced this bill last session to address the lack of transparency and specific professional standards when a real estate appraiser acts as an appraiser or as an arbitrator in an arbitration proceeding to determine the fair market value or fair market rental of real estate. Currently, there is some confusion about whether the standards applicable to appraisers apply when the appraiser is labeled an 'arbitrator', even when the appraiser is performing appraisal functions. The intent of S.B. No. 771 is to clarify that, even though an appraiser may be labeled as an arbitrator, the appraiser must still follow all of the standards of the Uniform Standards of Professional Appraisal Practice (Uniform Standards) applicable to the appraiser profession. Among other things, this would require the appraiser to write a report showing how they arrived at the arbitrated value for the valuation, explaining the justification for the valuation.

"The Governor vetoed S.B. No. 771, based on her belief that appraisers who serve as arbitrators are not engaging in the practice of real estate appraisal, but are acting solely as arbitrators. She did not object to other portions of the bill. Her veto message states that '[a]rbitration is an alternative dispute resolution process used to reach a compromise solution, and not an appraisal.' But in practice, this either/or interpretation is not correct.

# "1. An appraiser-arbitrator is not a traditional arbitrator, but is functioning in his or her capacity as appraiser.

"An appraiser-arbitrator in an arbitration proceeding to determine the fair market value or fair market rental of real estate is not a traditional arbitrator who functions as an informal

judge. In practice, appraiser-arbitrators in these types of proceedings are much less an informal judge and much more an impartial real estate appraiser. Often, the appraiser-arbitrators are performing actual appraisals, rather than just trying to craft a compromise between the parties. Therefore, requiring appraisers to follow their own professional standards is very reasonable and, frankly, a very good idea.

"Real estate appraisers estimate real estate values. They are expected to perform these valuation services competently and in a manner that is independent, impartial, and objective. They also provide consulting services including land utilization studies, supply and demand studies, economic feasibility studies, highest and best use analyses, and marketability or investment considerations. In addition, real estate appraisers also perform appraisal reviews where they may study or review a report prepared by another real estate appraiser. All of these functions are covered by the Uniform Standards, which sets specific performance standards and rules of ethical conduct for appraisers.

"When an appraiser is appointed to act as an arbitrator in a proceeding to determine fair market value or fair market rental of real estate, these are the types of functions they perform – not dispute-settlement services.

"For example, for some leases, when a lease term ends, the lease states that the lease can be extended, subject to the landlord and the tenant negotiating the new rental rate for the extended term, based on the fair market rental of the property. If the two parties cannot agree on the amount of the new rental rate, the lease may allow the parties to proceed to an alternative dispute resolution process instead of going to court to decide the new rate. Under many of these leases, the landlord and the tenant each to appoint an appraiser, and each of those appraisers appoint a third appraiser. The three appraisers are the 'arbitrators' in the arbitration. But the appraisers are required to actually perform an appraisal, and not just facilitate a compromise between the parties. The goal of the arbitration process is to come up with a fair, impartial appraisal, and that is what the 'arbitrators' (the three appraisers) are tasked with doing.

"Another example where it is clear that the arbitrator is actually acting as an appraiser is the situation where the arbitrator is the only appraiser involved in the proceeding. In some cases, the parties did not retain their own appraiser experts but rely entirely on the appraiser-arbitrator to make the valuation determination. In those cases, the appraiser-arbitrator is the only person conducting the appraisal. This can occur for leases where the value of the lease is not sufficient to justify hiring more than one appraiser.

"Other examples involve situations where the parties do hire their own appraisers as expert witnesses. These appraiser expert witnesses conduct appraisals that are submitted to an appraiser-arbitrator, who reviews the appraisals and comes to a valuation determination. Under the Uniform Standards, the appraiser-arbitrator's review in this type of situation would be considered an 'appraisal review', and the appraiser-arbitrator would also be subject to the Uniform Standards.

"The appraiser-arbitrators described above are all appraisers who are tasked with either conducting appraisals or performing appraisal reviews. S.B. No. 771 clarifies that, just because these appraisers may be labeled as 'arbitrators', they are actually functioning as 'appraisers' and their professional standards for performing appraisals should not be disregarded.

# "2. Compliance with the Uniform Arbitration Act is insufficient for appraiser-arbitrators.

"The Governor's message also states that it would be more appropriate to require arbitrators to follow chapter 658A, HRS

(the Uniform Arbitration Act), but this is clearly inadequate to address the specific functions of an appraiser-arbitrator. The Uniform Arbitration Act describes a judicial or administrative process that results in an 'award' to one party. The arbitrator in a Uniform Arbitration Act proceeding may hold hearings and listen to evidence. He or she can subpoena witnesses, permit depositions of witnesses, or allow discovery. The Uniform Arbitration Act does not, however, contain any rules relating to professional standards for conducting appraisals similar to those in the Uniform Standards. If an appraiser would only be required to adhere to the Uniform Arbitration Act, and not the Uniform Standards, then the resulting appraisals or valuation determinations would lack transparency and perhaps would not adhere to specific professional standards.

"For example, under the Uniform Standards, the appraiser-arbitrators are subject to ethics requirements. Honesty, impartiality, and professional competency are required of all appraisers under the Uniform Standards. By contrast, the Uniform Arbitration Act only requires an arbitrator to disclose to the parties facts that would likely affect the impartiality of the arbitration proceedings. Then an award may be vacated under limited circumstances: corruption, fraud, evident partiality, or misconduct by an arbitrator; conduct related to arbitrate; lack of notice regarding initiation of the proceeding. The ethics requirements under the Uniform Standards are higher than in the Uniform Arbitration Act and set the benchmark for the actions taken by the appraiser-arbitrator, rather than simply providing a means to vacate an award after-the-fact.

"Additionally, there is nothing specific in the Uniform Arbitration Act requiring an appraiser-arbitrator to perform the appraisal with professional competency. Standards in the Uniform Standards require, for example, that 'In developing a real property appraisal, an appraiser must . . . be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal[.]' Uniform Standards (2009), page U-15, Standard 1. The Uniform Arbitration Act would not necessarily allow the vacation of an award for using an incorrect method to conduct an appraisal.

"Moreover, currently, arbitrators in these types of proceedings are not required to be transparent in their decision making process. They are not required to submit a written report to substantiate the value or rent they determined under the current laws. With S.B. No. 771, the Uniform Standards will require the valuations made by appraiser-arbitrators to be transparent. An appraiser-arbitrator will need to provide a written report of how they arrived at their final value.

"In summary, contrary to the Governor's understanding, an appraiser-arbitrator determining the fair market value or fair market rental of real estate is acting more within the scope of his or her specialty as an appraiser rather than a traditional arbitrator. Because an appraiser-arbitrator is hired for his or her professional expertise to perform an appraisal service, either an appraisal or an appraisal review, the appraiser-arbitrator cannot step out of the appraiser shoes and should be required to adhere to the standards of practice required for their profession. These standards are reasonable requirements, and S.B. No. 771 will end confusion as to their applicability in arbitration proceedings.

"Thank you."

At this time, the President made the following announcement:

"If there are no objections from the members, we will be taking a Roll Call vote on each of the Governor's Messages before us"

Senator Hemmings rose on a point on inquiry and said:

"A 'yes' vote will mean you're voting in favor of the override of the veto?"

The Chair responded:

"In favor of the override; the motion is to override."

Senator Hemmings replied:

"Override...yes, so you sustain...Thank you."

The motion was put by the Chair and carried, Roll Call vote having been requested, the veto of S.B. No. 771, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO APPRAISALS," was overridden by not less than two-thirds vote of all members to which the Senate is entitled, on the following showing of Ayes and Noes:

Ayes, 21; Ayes with Reservations (Kim). Noes, none. Excused, 4 (English, Gabbard, Takamine, Tsutsui).

At 12:46 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:48 p.m.

S.B. No. 1311, S.D. 1, H.D. 1:

In accordance with Article III, Section 17 of the Hawai'i State Constitution, Senator Hooser moved that the Senate override the veto of S.B. No. 1311, S.D. 1, H.D. 1, as contained in Gov. Msg. No. 337, seconded by Senator Sakamoto.

Senator Hee rose in support of the motion to override the veto as follows:

"Members, I actually wasn't going to speak on this override. However, you folks may have received an e-mail that was received momentarily from the director of DLNR. I really have to thank Senator Ige for this because when things get sent to people, they arrive instantaneously, so let me read what the director said.

"She says, 'Aloha, Senator,' and I'm not the senator she said 'aloha' to. Would that senator wish to identify the senator-self?:

Hopefully this message catches you on the floor before the vote on the veto override. The Senate bill mandates that UH-HIMB can use DLNR staff free of charge. The bill is being done to support the Senate Ways and Means proviso in the budget which transfers over \$1 million in Department of Aquatic Resources' general funds for the exclusive use of UH-HIMB. This bill and budget proviso will bankrupt the Division of Aquatic Resources. We will lose approximately \$4 million in associated federal funds and lay off about a dozen staff and shut down programs. This is the branch that conducts the stream studies and that have supported[-and this may give you a hint who it was sent to-]instream flow program runs the NOAA coral program and all aquatic resource protection programs. devastating for Division of Aquatic Resources[-and get this-]I am not exaggerating. Please do not support the veto override.

"Can you believe that? Not one of what I just read was in the override message. Not a single sentence that I just read was in the Governor's override message. How's that?

"These funds for DOCARE to provide security to HIMB were provided by voluntarily vacant funded positions that were frozen by the author of the statement I just read. You may recall yesterday, on a point of personal privilege I criticized this

individual for dinging local canoe clubs \$1,500 to provide security, DOCARE security, of which she has said, 'We have so much to do with so little people in DOCARE,' that she has said \$1,500 to provide security for canoe races. Since that time, 24 hours ago or so, two staff attorneys went to meet with the DO board director and canoe club officials, and one of the staff attorneys asked for the rules which authorized this individual to ding local people \$1,500 for the races. The fact of the matter is in speaking to one of the House colleagues who was a former director of Department of Land and Natural Resources, it was his opinion that the present director had no authority according to Chapter 91. Then I spoke to a former land board member who is also one of our colleagues, and it was his opinion that she had no authority under rule making. So, Mr. Underwood sent us the rules today, but then I received from the author, the individual we're speaking about, the following e-mail. It wasn't to me; it was to my staff attorney: 'Dear Kalā, I was in land board all day. I've asked Ed to come by to talk with you about this.' This is the sentence: 'The press inaccurately reported the fee.' That's all I need to say. 'The press inaccurately reported the fee.'

"The veto message inaccurately left out the bankruptcy efforts of the Legislature for the Division of Aquatic Resources. Members, Coconut Island is falling into the ocean. I think you folks received pictures that I had encouraged the director to send to you so that you could graphically understand the need for this bill. The Governor's veto message says, 'The bill is objectionable because it grants the University of Hawai'i an overly broad and unnecessary exemption from permitting requirements that protect and preserve Hawaii's natural public trust resources.' That sentence is about research permits, research permits that the Hawai'i Institute of Marine Biology asks of the DLNR to do studies. This bill has nothing to do with that. Nothing. And here's the sentence that evidently she does not truly understand: 'Notwithstanding any other law to the contrary, the University of Hawai'i shall be exempt from any law that requires a permit or application,'-and here are the important words-'to carry out repair and maintenance.' 'To carry out repair and maintenance': The island is falling into the ocean. The buildings are in disrepair because of overexposure

"How the director connects the dots is beyond me, but I've given you three examples which demonstrate to me that either she is on another wavelength, or simply somebody needs to read it to her. Thank you. I encourage an override."

The motion was put by the Chair and carried, Roll Call vote having been requested, the veto of S.B. No. 1311, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," was overridden by not less than two-thirds vote of all members to which the Senate is entitled, on the following showing of Ayes and Noes:

Ayes, 21. Noes, none. Excused, 4 (English, Gabbard, Takamine, Tsutsui).

At this time, Senator Kim rose on a point of personal privilege as follows:

"As I said yesterday when we passed our budget that not everybody was going to be happy with the budget; there are a lot of things in the budget that we are all not happy with, and I can understand the concerned raised by corrections. I don't know how many of you saw this ad in the paper yesterday, and I'm sorry that our UPW Corrections people are not here at this point in time. But it's one thing to raise concerns, it's one thing to come and lobby us, but it's another thing, Madam President, when they send out incorrect information, and I want to correct that on the floor this afternoon.

"In this ad, it talks about how this one correction officer could possibly lose his job, but it also says that sending inmates to the mainland will cost Hawai'i 70 jobs. Seventy jobs. I'm not sure how they can compute 70 jobs. My understanding is to close down one module, that there are 24-24—correction officers assigned 24-7 to a module. Also, I have here a list of vacancies. Total: 76 vacancies of correction officers. Some of these vacancies have been vacant from 2004. Vacancies across the state at a total of \$3.6 million. These are not unfunded vacancies. These are funded vacancies, and so when I met with head of UPW, I showed him the list and said that I don't anticipate any officers having to lose their jobs and that the money is there, and we can look at that. If they need to be, the positions changed and so forth, that can be done.

"In addition to this, Madam President, I have been told—and we have been researching this—that we could look at options such as closing, closing the special needs 'module' or where they house the special needs area. But that takes 90 people—90 people—to run the special needs area, and that if we were to move this special needs into the module where we would become vacant, that it would take only 24, 24 correction officers, and that we could save a lot of money there.

"There are all the other ways. There are \$9 million in overtime. If corrections could cut down on the \$9 million of overtime which they say, 'Part of the reason is vacancies; part of the reason is they're not enough officers there. And that is the reason why some of these officers have to work overtime and why we have \$9 million.' By closing down one module, we would have saved approximately \$6 million; \$9 million in overtime. Let's compute that. These officers are not going to lose their jobs, and we can fill these positions and cut down on overtime.

"This is far from being resolved. I'm not saying that this is the answer. I'm not saying that sending our prisoners away is the answer, but it certainly opens up the discussion. I believe we've been discussing with the unions how to cut down overtime. We've been looking at options, and there are other options there. And I think that before they incite people and put out this kind of ad with erroneous information, that that kind of information should be put out to the public. Thank you, Madam President."

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

"And this will be the final time I stand up this week. I would like to end on a high note, colleagues. As your chair of the 2010 Senate Food Bank drive, I am happy to announce that we're almost at the end of the road and we're one week away from that point. Next Friday, April 16, we invite you—you've all received your notification here that we invite you all—to bring your team's food collections down to the Senate chamber. With the approval of the Senate President, we will be weighing the team totals here, and we want to end the food drive with a bang. I'm happy to announce that as of this date, we have collected, monetarily thus far, \$12,435.70; and I believe that we're on track to surpass and eclipse Senator Kidani's point total from last year. Appreciate that. Mahalo nui loa. Thank you, Madam President."

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

"Like the Chair of Ways and Means, I also have comments about the accuracy of some of the reports in the press regarding the budget conversations of yesterday. The *Honolulu Star-Bulletin* ran a story and I believe it mischaracterized my position on the budget, and I wanted to clarify that and I think it's important for the record.

"The *Honolulu Star-Bulletin* implied strongly that my support of the final budget was predicated on the increase in the general excise tax, and I want to say clearly two things. One, that I do and I have supported an increase in the general excise tax, specifically S.B. 1346, S.D. 2—which I'm a co-sponsor on as well as my colleague, the Chair of the Education Committee, and many others—which increases the general excise tax, exempts groceries, farming, production of food, certain medical expenses, a portion of rents from the general excise tax, and a number of other reforms, and dedicates significant portions, or a portion, to education. So I am in support of that. I have supported it in the past.

"But the article went on to say that without a general excise tax, I would not support the budget. And I reviewed my comments, both in writing and on tape, and it's an important distinction that my support of the budget, Madam President, is predicated on my definition of 'success' in the budget. And what I had said yesterday was that, 'Unless the direction is changed significantly, unless we are clear in our resolve to restore and make whole our public school system and end furlough Fridays.' So that, I believe, is the number one criteria for my support of the budget. Restoring and making whole our public schools and ending furlough Fridays, and unless we are firmly committed to ending the downward spiral of cuts and takeaways from those most vulnerable, unless these things happen, I will not be able to support the budget.

"And it is a separate issue, and I believe it's a separate, very important point. It is possible that we could have a general excise tax increase and not restore furlough Fridays. It is possible that we could restore our education, schools' funding, in other ways. And I believe the definition of success—this is a very critical point, and I want to be clear on my position—that my definition of success is the restoration and preservation of education, the important social safety net, and others. Some might define success as anything other than raising taxes. Some might define success as, you know, reducing jobs, shrinking government, etcetera, etcetera, but my support or non-support of the budget, in final reading, is not predicated on the general excise tax. It's predicated on keeping our schools whole, returning our students to school, and preserving many of the important, vital services that are critical to our state. So, I just wanted to make that clear for the record. Thank you, Madam President."

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

"We'd just like to thank our Food Bank chair, our senator from Waikiki, for doing a great job; and members, I think he deserves a round of applause."

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

"I want to offer a constructive solution to furlough Fridays that I think will resolve the problem, at least with the HSTA teachers' union leaders—immediately solve the problem. Rename 'furlough Fridays' a 'strike' like they did in 2001, when they kept public school children out of school for 21 days. I find it incredibly disingenuous on the part of these union leaders to be crying crocodile tears about the poor keiki out of school. They could easily go back to work and solve the problem without any of us doing any legislation. This is the same union that kept kids out of school 21 days in 2001. So you want to solve the problem for some people? Rename 'furlough Fridays,' 'strike.' Thank you."

At this time, the Chair made the following announcement:

"Conferees will be named in accordance with the Action Sheets to be distributed to your offices later this afternoon."

### APPOINTMENT AND DISCHARGE OF CONFEREES

S.B. No. 2359, S.D. 2 (H.D. 1):

The President discharged Senator Takamine as a manager and appointed him as a co-chair on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2359, S.D. 2.

S.B. No. 2488, S.D. 2 (H.D. 1):

The President appointed Senators Green, Hee as additional managers on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2488, S.D. 2.

S.B. No. 2494, S.D. 2 (H.D. 2):

The President discharged Senator Takamine as a manager and appointed him as a co-chair on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2494, S.D. 2.

S.B. No. 2527, S.D. 2 (H.D. 2):

The President discharged Senator Bunda as a manager and appointed Senators Takamine, Kokubun as additional managers on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2527, S.D. 2.

S.B. No. 2650, S.D. 2 (H.D. 2):

The President discharged Senator Tsutsui as a co-chair and appointed Senator Kim as an additional co-chair on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2650, S.D. 2.

S.B. No. 2951, S.D. 2 (H.D. 2):

The President appointed Senator Kokubun as an additional manager on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.B. No. 2951, S.D. 2.

H.B. No. 347, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 347, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Tokuda, chair; Taniguchi, co-chair; Kokubun, Takamine, Hemmings as managers on the part of the Senate at such conference.

H.B. No. 2084, H.D. 1 (S.D. 1):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2084, H.D. 1, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Chun Oakland, Tsutsui, co-chairs; Hemmings as manager on the part of the Senate at such conference.

H.B. No. 2086, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2086, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Taniguchi, co-chair; Baker, Slom as managers on the part of the Senate at such conference.

H.B. No. 2152, H.D. 1 (S.D. 1):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2152, H.D. 1, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Tsutsui, co-chair;

Chun Oakland as manager on the part of the Senate at such conference.

## H.B. No. 2200, H.D. 1 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2200, H.D. 1, and the request for a conference on the subject matter thereof, the President appointed Senators Kim, chair; Chun Oakland, English, Fukunaga, Galuteria, Hee, Hooser, Kidani, Kokubun, Tokuda, Tsutsui, Hemmings as managers on the part of the Senate at such conference.

#### H.B. No. 2349, H.D. 1 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2349, H.D. 1, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Taniguchi, co-chair; Green as manager on the part of the Senate at such conference.

### H.B. No. 2461, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2461, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Takamine, chair; Chun Oakland, Ige, Kim, co-chairs; Taniguchi as manager on the part of the Senate at such conference.

#### H.B. No. 2561 (S.D. 1):

The President appointed Senator Tokuda as an additional co-chair on the part of the Senate at the conference to be held for the consideration of amendments proposed by the Senate to H.B. No. 2561.

## H.B. No. 2575, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2575, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Taniguchi, co-chair; Slom as manager on the part of the Senate at such conference.

### H.B. No. 2598, H.D. 1 (S.D. 2):

The President appointed Senator Kokubun as an additional manager on the part of the Senate at the conference to be held for the consideration of amendments proposed by the Senate to H.B. No. 2598, H.D. 1.

## H.B. No. 2661, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2661, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Ige, chair; Taniguchi, co-chair; Slom as manager on the part of the Senate at such conference.

### H.B. No. 2688, H.D. 1 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2688, H.D. 1, and the request for a conference on the subject matter thereof, the President appointed Senators Gabbard, chair; Ige, Tsutsui, co-chairs on the part of the Senate at such conference.

# H.B. No. 2774, H.D. 2 (S.D. 2):

In accordance with the disagreement of the House to the amendments proposed by the Senate to H.B. No. 2774, H.D. 2, and the request for a conference on the subject matter thereof, the President appointed Senators Chun Oakland, chair; Ige, Tsutsui, co-chairs; Baker, Green as managers on the part of the Senate at such conference.

#### ADJOURNMENT

At 1:09 p.m., on motion by Senator Sakamoto, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Monday, April 12, 2010.