

SIXTIETH DAY

Thursday, May 3, 2012

The Senate of the Twenty-Sixth Legislature of the State of Hawai'i, Regular Session of 2012, convened at 11:42 a.m. with the President in the Chair.

The Roll was called showing all Senators present.

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

At this time, Senator Espero thanked his staff who were seated in the gallery: Marlene Uesugi, Sheryll Bonilla, Mayette Smith, and Venus Delos Santos.

Senator Kidani introduced Malia Hitch, student intern from the University of Hawai'i at Mānoa who was seated in the gallery with office manager Park Kaleiwahea.

Senator Slom introduced Matt Rapoza, student intern from the University of Hawai'i at Mānoa.

Senator Baker acknowledged Nicolo Rivolta, student intern from the University of Hawai'i at Mānoa; and recognized guests from Moloka'i who were seated in the gallery including Kanoho Helm and his wife, and Judy and Bill Toll.

Senator Chun Oakland acknowledged her staff who were seated in the gallery including committee clerk Tyrell Ma'ae; committee assistant Michael Fujimoto; and Jeanelle Sugimoto-Matsuda, student intern from the University of Hawai'i at Mānoa.

Senator Hee recognized and thanked his entire staff and introduced committee clerk Sherrie Seki.

At 11:49 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:52 a.m.

Senator Chun Oakland welcomed members of AARP who had been helpful with many of the Legislature's kupuna issues.

Senator English recognized members of I Aloha Moloka'i who were seated in the gallery.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 1199 and 1200) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 1199, dated May 1, 2012, transmitting the Governor's statement of objections to Senate Bill No. 2101, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRICARE PROGRAM," which was returned to the Senate without approval and reads as follows:

“EXECUTIVE CHAMBERS
HONOLULU

May 1, 2012

STATEMENT OF OBJECTIONS TO SENATE BILL
NO. 2101

Honorable Members
Twenty-Sixth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2101, entitled "A Bill for an Act Relating to the TRICARE Program."

The purpose of this bill is to extend the repeal of the general excise tax exemption for amounts received from the TRICARE Program from December 31, 2013, to December 31, 2015.

Act 105, Session Laws of Hawaii 2011, temporarily suspended numerous exemptions from the general excise tax that were not related to the TRICARE Program. The temporary suspension of exemptions in Act 105 expires on June 30, 2013. During the regular session of 2013, all of the general excise tax exemptions, including the exemption for the TRICARE Program, should undergo a fair and comprehensive review at the same time. Because the exemption for the TRICARE Program will not expire until December 31, 2013, there is no need to extend the expiration date of this single exemption now.

For the foregoing reasons, I am returning Senate Bill No. 2101 without my approval.

Respectfully,

/s/ Neil Abercrombie
NEIL ABERCROMBIE
Governor of Hawaii”

In accordance with Article III, Section 17 of the Hawaii State Constitution, Senator Galuteria moved that the Senate override the veto of S.B. No. 2101, S.D. 1, H.D. 2, as contained in Gov. Msg. No. 1199, seconded by Senator Espero.

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

“Through this entire legislative experience, the Senate has unanimously favored this bill, which resulted in the passage of 2101. TRICARE provides care for our military families in Hawai'i; they also support the Hilo Family Practice residency extraordinarily, and no other state taxes these plans. Thank you.”

At this time, the Chair called for a Roll Call vote.

The motion was put by the Chair and carried, Roll Call vote having been requested, the veto of S.B. No. 2101, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRICARE PROGRAM," 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, 25. Noes, none.

Gov. Msg. No. 1200, informing the Senate that on May 2, 2012, the Governor signed into law Senate Bill No. 3025, S.D. 2, H.D. 2 as Act 98, entitled: "RELATING TO AFFORDABLE HOUSING CREDITS," was placed on file.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 715 to 720) were read by the Clerk and were placed on file:

Hse. Com. No. 715, returning S.B. No. 3017, S.D. 2, which passed Third Reading in the House of Representatives on May 1, 2012.

Hse. Com. No. 716, returning S.C.R. No. 84, S.D. 1, which was adopted by the House of Representatives on May 1, 2012.

Hse. Com. No. 717, informing the Senate that on May 1, 2012, the House reconsidered its action taken on April 12, 2012, in disagreeing to the amendments proposed by the Senate to the following House bills:

H.B. No. 302, H.D. 1 (S.D. 2);

H.B. No. 2113, H.D. 1 (S.D. 1);
 H.B. No. 2257, H.D. 1 (S.D. 1);
 H.B. No. 2258, H.D. 2 (S.D. 1);
 H.B. No. 2409, (S.D. 1);
 H.B. No. 2601, H.D. 3 (S.D. 1); and
 H.B. No. 2681, H.D. 1 (S.D. 1).

Hse. Com. No. 718, informing the Senate that the House agreed to the amendments proposed by the Senate to the following House concurrent resolutions and said resolutions were Finally Adopted in the House of Representatives on May 1, 2012:

H.C.R. No. 50, H.D. 1, S.D. 1; and
 H.C.R. No. 51, H.D. 1, S.D. 1.

Hse. Com. No. 719, 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 May 1, 2012:

H.B. No. 2314, H.D. 1, S.D. 1;
 H.B. No. 2375, S.D. 2;
 H.B. No. 2398, H.D. 2, S.D. 1;
 H.B. No. 2491, H.D. 1, S.D. 1;
 H.B. No. 2526, H.D. 2, S.D. 2;
 H.B. No. 2529, H.D. 1, S.D. 1; and
 H.B. No. 2553, H.D. 2, S.D. 2.

Hse. Com. No. 720, informing the Senate that the following bills passed Final Reading in the House of Representatives on May 1, 2012:

H.B. No. 280, H.D. 1, S.D. 2, C.D. 1;
 H.B. No. 609, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 679, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1054, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1295, H.D. 3, S.D. 2, C.D. 1;
 H.B. No. 1398, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1543, S.D. 1, C.D. 1;
 H.B. No. 1617, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 1666, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1705, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1788, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1791, S.D. 1, C.D. 1;
 H.B. No. 1875, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 1879, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 1892, S.D. 1, C.D. 1;
 H.B. No. 1925, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 1972, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 1974, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 1984, S.D. 1, C.D. 1;
 H.B. No. 2004, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2078, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2099, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2175, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2232, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2244, H.D. 1, S.D. 2, C.D. 1;
 H.B. No. 2265, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2290, H.D. 1, S.D. 2, C.D. 1;
 H.B. No. 2320, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2326, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2328, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2347, S.D. 1, C.D. 1;
 H.B. No. 2487, H.D. 1, S.D. 2, C.D. 1;
 H.B. No. 2502, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2513, H.D. 1, S.D. 2, C.D. 1;
 H.B. No. 2568, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2569, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2589, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2593, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2594, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2595, H.D. 2, S.D. 2, C.D. 1;

H.B. No. 2623, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2644, H.D. 2, S.D. 1, C.D. 1;
 H.B. No. 2685, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2686, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2740, H.D. 1, S.D. 1, C.D. 1;
 H.B. No. 2776, H.D. 2, S.D. 2, C.D. 1;
 H.B. No. 2848, H.D. 3, S.D. 2, C.D. 1;
 H.B. No. 2871, H.D. 1, S.D. 1, C.D. 1;
 S.B. No. 243, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 596, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 1276, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 1382, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 1500, H.D. 1, C.D. 1;
 S.B. No. 2001, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2056, H.D. 2, C.D. 1;
 S.B. No. 2103, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2158, H.D. 1, C.D. 1;
 S.B. No. 2221, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2222, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 2238, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2277, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2318, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2335, H.D. 2, C.D. 1;
 S.B. No. 2375, S.D. 3, H.D. 2, C.D. 1;
 S.B. No. 2402, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2486, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2508, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 2540, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2632, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2640, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2646, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2655, S.D. 2, H.D. 3, C.D. 1;
 S.B. No. 2737, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2742, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2745, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2746, S.D. 1, H.D. 3, C.D. 1;
 S.B. No. 2748, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2763, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2765, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2766, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 2767, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 2769, S.D. 2, H.D. 3, C.D. 1;
 S.B. No. 2773, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2787, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 2797, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2800, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2810, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2813, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2816, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2821, H.D. 3, C.D. 1;
 S.B. No. 2825, S.D. 1, H.D. 1, C.D. 1;
 S.B. No. 2833, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2858, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 2871, S.D. 1, H.D. 2, C.D. 1;
 S.B. No. 3001, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 3002, S.D. 2, H.D. 1, C.D. 1;
 S.B. No. 3006, S.D. 2, H.D. 2, C.D. 1;
 S.B. No. 3008, H.D. 3, C.D. 1; and
 S.B. No. 3062, S.D. 1, H.D. 2, C.D. 1.

ORDER OF THE DAY

ADVISE AND CONSENT

Stand. Com. Rep. No. 3578 (Gov. Msg. Nos. 728, 729, 730, and 732):

Senator Dela Cruz moved that Stand. Com. Rep. No. 3578 be received and placed on file, seconded by Senator Solomon and carried.

Senator Dela Cruz then moved that the Senate advise and consent to the nominations to the Koke'e State Park Advisory Council of the following:

JOSE BULATAO, JR., term to expire June 30, 2014 (Gov. Msg. No. 728);

MARY BUZA-SIMS, term to expire June 30, 2015 (Gov. Msg. No. 729);

CANEN HOOKANO, term to expire June 30, 2014 (Gov. Msg. No. 730); and

VAL TSUCHIYA, term to expire June 30, 2013 (Gov. Msg. No. 732),

seconded by Senator Solomon.

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

Ayes, 25. Noes, none.

ADOPTION OF RESOLUTION

H.C.R. No. 107:

On motion by Senator Espero, seconded by Senator Slom and carried, H.C.R. No. 107, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE CREATION OF AN EXPLORATORY COMMITTEE TO CONSIDER THE ESTABLISHMENT OF AN INTERNATIONAL AVIATION TRAINING CENTER AT THE HILO INTERNATIONAL AIRPORT AND AN ADVANCED AVIATION DEGREE TRAINING PROGRAM AT THE UNIVERSITY OF HAWAII AT HILO," was adopted.

FINAL READING

Conf. Com. Rep. No. 131-12 (H.B. No. 2012, H.D. 1, S.D. 1, C.D. 1):

Senator Ige moved that Conf. Com. Rep. No. 131-12 be adopted and H.B. No. 2012, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kidani.

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

"H.B. No. 2012 is the Executive Supplemental Appropriations Act of 2012. This measure is the product of the positive and collaborative effort set forth by the members of the Legislature, the executive branch of government, and numerous members of the public. Colleagues, I thank all of you that have contributed and supported the Senate's efforts to develop a responsible expenditure plan, especially my Vice Chair of the Ways and Means Committee and the many members on the committee who offered input. I would also like to thank you, Mr. President, for your advice and counsel as we worked through the budget issues. Additionally, I also appreciated the House Finance Chair and his tireless efforts to work with me to finalize the state budget. The chairman has become fond of the saying that 'in the heated crucible of negotiations, iron sharpens iron.' Mr. President, at this point I think the Legislature must have two fairly sharp money chairs at their disposal, after the many hours and hours of negotiation.

"This session marks the first in years that we were not faced with addressing a deficit exceeding a billion dollars. Nonetheless, challenges remained. The budget submitted by the governor was premised on general fund revenue growth projections that the Council on Revenues has since substantially reduced, and many worthy programs could not be funded at the desired levels. However, this budget does allow us to strengthen core government services that have been diminished over the years. The governor's initial supplemental budget requested

about \$100 million to strengthen the safety net, support public education, and maintain essential services across the state.

"Colleagues, the measure before you is responsible and responsive to the governor's requests and initiatives. The governor's requested budget includes funding to significantly improve the infrastructure for information technology throughout the state government, an area in which the Senate has chosen to lead by example. This measure includes more than \$25 million that will be administered by the Office of Information Management and Technology for critical IT projects that will support increased efficiency in the transformation of state government.

"The budget before you strengthens the safety net and includes additional funds for child welfare, domestic violence shelters, Medicaid, and various shortfalls across the Department of Human Services. Additionally, \$18.2 million provided for the Temporary Assistance for the Needy Family Program, and another \$3.6 million for information technology initiatives to modernize the Department of Human Services.

"Education also is a top priority of the Legislature, and this budget embraces that. This measure underscores by adding \$40 million to the Department of Education's budget. The funds provided focus on key areas of investment in education, including more funding than was requested by the governor by the weighted student formula—and members, these monies go directly to the school and the classroom. We also provided funds for student meals, and fully funded the governor's requested budget for the Community School for Adult Programs and student transportation.

"Following significant evaluations of the charter school system, this legislature has a measure to rewrite the charter school law that I'm certain my colleague will be talking about as we proceed through the day, to ensure equal appropriations for the public schools and the charter schools. About \$1 million is provided through this measure and charter school legislation to develop and implement a transition plan and provide equal per pupil operating funding for the charter schools and the regular education students.

"Finally, one of the governor's key initiatives is the protection of priority watersheds. This measure recognizes the importance of protecting the state's water resources, and provides \$5 million for this purpose.

"The conference draft of this supplemental budget moves the state forward by protecting state safety net services, strengthening funding for education, and making strategic investments that will advance our economy. This budget is in line with that proposed by the governor, and calls for an additional \$1.4 million in general funds added to the executive supplemental budget request.

"Colleagues, I commend each of you for your efforts that have helped bring us to this point, and thank you for your support of this measure and the important issues that it represents. I would also like to note for the first time in many, many years, we were able to fund much needed nonprofit support services throughout our community, which we haven't been able to do on the operating side of our budget for many years. For all of those reasons, members, I do encourage you to support this budget. Thank you."

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

"This past year has been one of many, many challenges, especially in crafting a capital improvement program that meets the needs of the state while balancing the fiscal considerations of an improving, but still fragile, economic recovery process. We know that now is a time for investment in our state's

infrastructure, while costs for materials and labors are still low and the need for job creation has never been greater.

"I wish to thank Chair Ige and his staff, and Chair Ige for his leadership during this very long and tedious process; and you, Mr. President, for your guidance and for letting me vent when I needed to. Also, Mr. President, I would like to introduce and thank my staff member Will Kane, without whose help we could have never completed the CIP budget.

"In H.B. No. 2012, C.D. 1, we have taken the approach of investing in existing state facilities and infrastructure, especially those for education, technological innovations, and facilities that will reduce the expenditure of taxpayer funds, in the form of rent or lease payments. Therefore, H.B. No. 2012, C.D. 1 proposes a CIP budget for fiscal year '13, in the amount of \$3.2 billion—\$826 million of which is funded by general obligation, or reimbursable, bonds.

"It is important to note, colleagues, that due to the recent refinancing of previously issued bonds—and the savings realized from this—and the proceeds from a bond issuance in a healthy bond market and prior year project lapses, there are no additional payments for debt service on \$350 million of the total amount appropriated. Also of note, this budget includes over \$400 million of repair and maintenance projects included in the Senate's 'Invest in Hawai'i Act of 2012' (our original S.B. NO. 2012). Highlights of the budget bill before us this morning include:

- \$60 million for the Department of Human Services, for renovations to our public housing;
- \$135 million for the Department of Education facilities, to provide a 21st century learning environment in our aging schools;
- Almost \$50 million for the Department of Health, to address critical health and safety needs.

"This budget also provides funding for projects across nearly every campus in the UH system, including funding to build the Culinary Institute of the Pacific at Kapi'olani Community College, University of Hawai'i's athletics facilities, a dedicated facility for the Academy for Creative Media Academy at UH-West O'ahu, and funding to continue construction of a new community college campus at Palamanui on the Big Island's Kona coast.

"When crafting this budget, the utilization of currently under-utilized state facilities was considered. An example of this lies right across the street from this building. The Kamamalu building has sat empty for many years, while we spend millions in lease payments to private companies instead of renovating our existing facilities. Therefore, H.B. No. 2012, C.D. 1 has appropriated the funds that would allow this building to once again be used by our state agencies, which is the most responsible way to reduce escalating rental costs.

"Lastly, the Senate's capital improvement program budget provides appropriations for projects across nearly every department. These include funding to create a statewide financial management system, renovate additional facilities for the Department of Health, and improvement to all airports, statewide. This will begin to address the concerns and needs of our visitors, which are the life-blood of our economy.

"In closing, Mr. President, I would like to again thank Chair Ige and my fellow members of the committee for their support and hard work in helping us craft this budget. I believe we all look forward to the positive impact this budget will have on the state. Mahalo."

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

"Colleagues this year, in terms of public safety, it has been a milestone year in corrections and judicial reform. We have passed a broad array of bills, a wide spectrum, from prevention to victim assistance, and reforming and changing the process in corrections and the judiciary. H.B. No. 2012 provides funding and appropriations for the Justice Reinvestment Initiatives. You will see more resources for the pretrial detainee processing, more staff and resources for parole and probation, and most importantly, 20 positions helping in victim assistance and restitution accountability. I want to thank our chair and the chair of the other body and staff for the work they've done on H.B. No. 2012. It is a great piece of art for this year. Thank you."

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

"Of course, it's always difficult to be opposed to something, particularly a work product that I, too, acknowledge was a great effort by not only the chair and the committee members, but all those involved. By the way, I would like to take a moment and to introduce the people that help the Senate Minority keep up with all of the budget changes and all of the hearings; and most of them are sitting over here: Mr. Arik Look, who is our budget director. He was ably assisted by Jessica Yeh, and also the director of our research Lauren Rogan and Christine Flanagan. We know how hard everyone worked on this project.

"And you know, Mr. President, that I signed on initially for the CIP budget, S.B. No. 2012, but I signed on with a cautionary note that even though it was a vision of the Senate and it was fair and equal handed that it was going to get caught up in the political process. And as a matter of fact, both the CIP and the operating budget did just that. And we were treated to last minute extensions and negotiating behind closed doors; and in the end, we've come up with a budget that exceeds what the governor had asked for.

"And while it's true that the so-called safety net may still be in place, there is no safety net for the taxpayers that have to support the great weight of government. And while the budget is responsive to the needs and desires of the governor, the budget, in fact, because it has increased from last year, because it has more personnel added—and we know that that's the biggest single cost in government—it is not responsible to the single mom, to the families, and to the small businesses in this community and state that still find that they are struggling. We have not turned the economic corner. As the chairman mentioned, there was a reduction in the estimates by the Council on Revenues; and yet we continue to add more money.

"Some call this an investment. I don't look at it as an investment when it is forced and compulsory use of somebody else's funds. I think that there are a lot of people that could decide and would decide to use their own money in a different way for their families or their businesses. Still, it is a great effort and there are a lot of good things within this budget, but there are things that are missing. There is no tax reduction. There are additional fees in this budget and in other bills as well, which are going to add to the fiscal problems of the people in our state. We think that by debating long hours into the night, and trying to come to a compromise with other politicians and with the governor, that we're doing the best job that we can. But the people are crying out for us to help them to build a safety net for them, to live within our own means with their money like they must do. And so unfortunately, I am compelled to cast a 'no' vote on this budget. Thank you."

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

"I'd like to thank the Chair of the Ways and Means Committee and the Vice Chair of the Ways and Means Committee for making the biggest investment that the state has

ever seen in modernizing the state government, helping to reengineer and transform our government operations. Just by way of quick background, to echo some of the comments of the Chair of the Ways and Means Committee: H.B. No. 2012, H.D. 1, S.D. 1 funds almost the entire amount requested by the administration for IT transformation initiatives. And to respond to the prior speaker's comments, while it is true that this budget does exceed the original governor's request by a small amount, some of the transformation initiatives that were proposed by the administration will make it easier for small businesses to file their tax returns electronically, to obtain payments more rapidly with contracts processing and expenditures management that will be a work product of the state's ERP Phase 1, which authorizes planning to retool the state's tax collections, expenditure processing, budgeting, and human resources system into one consolidated network.

"While there is a list of IT initiatives that could go on and on, I think it is really the hallmark of the Senate to say it's time to reengineer government, it's time to streamline many of the processes that we have, and to lead the way in moving Hawai'i forward into the 21st century. Thank you."

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

"I would like to support the remarks of the previous speaker. I think the chairman did an excellent job in our committee, and I'm very pleased with the results. I'm looking forward to the conclusion of this investment. Thank you."

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

"From a health perspective, I think this is a very honorable budget. I think that Ways and Means and Finance did an excellent job in making sure our healthcare's safety net is intact, particularly looking at HHFC's needs for the neighbor island patients that we have. And I think also taken as a complement to the Hospital Sustainability Bill and the Long Term Care Sustainability Bill, which brings \$64 million to the Department of Human Services and our private hospitals. We've gone a long way to make sure healthcare will be available in Hawai'i; so they did a great job, I think, Mr. President."

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

"I also would thank the Ways and Means chair and vice chair, and I won't repeat all of the other good things that everyone has said that happened. But I am disappointed that while we were able to move the House a little forward in the repair and maintenance program, we fell short of our intentions in S.B. No. 2012. It had been reported that we should not be mortgaging our future, passing on the debt; and lost in the whole debate was the simple question of should we take out our debt this year when interest rates today are at 2.9 or 2.5 percent for a twenty year mortgage or a GO bond issue, or should we wait until next year's time comes? Should we wait to see if the Congress changes? Should we wait to see if they fight over the debt ceiling limit? And what would happen to interest rates, and are we willing to risk and gamble and take that chance? And I said 'no'. I said we should take advantage of the lowest interest rates we have.

"In meeting with Kalbert Young, the budget director, and bond underwriters, it was clear that there would be no increase to our debt payment this year and next year; it was within the curve. More importantly, today at 2.9 it is 40 basis points lower than the debt we took out last December, which we hailed as a tremendous savings for the State of Hawai'i. In this overall program, as we discussed S.B. No. 2012, the underwriters and the budget director identified other bonds that we would refinance, take advantage of these rates, and realize almost

another \$100 million in savings, not to mention the fact that we may again take advantage of the premium and see additional revenue come into the State of Hawai'i—all if we had done what we had hoped to do in S.B. No. 2012. I hope that we still take advantage of some of these opportunities as we go forward, but I certainly wanted to rise and insert into the Journal the number 2.9 to 2.95, and hope that we're somewhere near those interest rates when we take out our debt next year. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 131-12 was adopted and H.B. No. 2012, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

FINAL READING

Conf. Com. Rep. No. 110-12 (S.B. No. 2378, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Dela Cruz, seconded by Senator Nishihara and carried, Conf. Com. Rep. No. 110-12 was adopted and S.B. No. 2378, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LEGACY LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 124-12 (H.B. No. 2664, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Baker and carried, Conf. Com. Rep. No. 124-12 was adopted and H.B. No. 2664, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE COORDINATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 126-12 (S.B. No. 2739, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Baker and carried, Conf. Com. Rep. No. 126-12 was adopted and S.B. No. 2739, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE SMALL BUSINESS REGULATORY REVIEW BOARD," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 142-12 (H.B. No. 2251, S.D. 1, C.D. 1):

On motion by Senator Hee, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 142-12 was adopted and H.B. No. 2251, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 147-12 (H.B. No. 1726, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Gabbard, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 147-12 was adopted and H.B. No. 1726, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 149-12 (H.B. No. 2540, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 149-12 was adopted and H.B. No. 2540, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FEES FOR CHILD CARE LICENSING AND REGISTRATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 150-12 (H.B. No. 2448, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Hee and carried, Conf. Com. Rep. No. 150-12 was adopted and H.B. No. 2448, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 151-12 (H.B. No. 2415, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 151-12 was adopted and H.B. No. 2415, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 157-12 (S.B. No. 2780, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 157-12 was adopted and S.B. No. 2780, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 159-12 (S.B. No. 2827, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 159-12 was adopted and S.B. No. 2827, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAUMA SYSTEM SPECIAL FUND," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 160-12 (S.B. No. 2536, H.D. 2, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 160-12 was adopted and S.B. No. 2536, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CLEAN AND SOBER HOMES AND HALFWAY HOUSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 172-12 (H.B. No. 2599, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Espero, seconded by Senator Ige and carried, Conf. Com. Rep. No. 172-12 was adopted and H.B. No. 2599, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REENTRY INTAKE SERVICE CENTERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2873, S.D. 1, H.D. 3, C.D. 2:

On motion by Senator Gabbard, seconded by Senator English and carried, S.B. No. 2873, S.D. 1, H.D. 3, C.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 107-12 (S.B. No. 1269, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Hee, seconded by Senator Shimabukuro and carried, Conf. Com. Rep. No. 107-12 was adopted and S.B. No. 1269, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF COMPENSATION FOR PURPOSES OF THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Taniguchi).

Conf. Com. Rep. No. 108-12 (S.B. No. 2214, S.D. 2, H.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 108-12 be adopted and S.B. No. 2214, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kidani.

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

"You know, this bill delegates the authority of the Legislature to an arbitration panel. The Legislature is supposed to control expenses. The Legislature is supposed to make decisions. But what we do now is we abdicate our authority, and the largest part of our budget—the costs of personnel—to an unelected, unaccountable arbitration panel. More than a decade ago, we had a governor that stood up and advocated change in this area, civil service reform and collective bargaining reform. We passed that. We changed that. And then as soon as he left office and a Republican governor came in, the majority turned exactly the opposite way and put this back. It wasn't a good idea then to have an arbitration panel; it's not a good idea now. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 108-12 was adopted and S.B. No. 2214, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 109-12 (S.B. No. 2576, S.D. 1, H.D. 3, C.D. 1):

On motion by Senator Hee, seconded by Senator Shimabukuro and carried, Conf. Com. Rep. No. 109-12 was adopted and S.B. No. 2576, S.D. 1, H.D. 3, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION,"

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 127-12 (S.B. No. 2239, S.D. 1, H.D. 1, C.D. 1):

Senator Fukunaga moved that Conf. Com. Rep. No. 127-12 be adopted and S.B. No. 2239, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Espero.

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

“Even in the conference draft, it takes out a certain procurement protections. It was still opposed by the State Procurement Office, and I oppose it. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 127-12 was adopted and S.B. No. 2239, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 130-12 (H.B. No. 2515, H.D. 3, S.D. 2, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 130-12 be adopted and H.B. No. 2515, H.D. 3, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hee

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 130-12 was adopted and H.B. No. 2515, H.D. 3, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CRIME,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25; Aye with Reservations (Slom). Noes, none.

Conf. Com. Rep. No. 148-12 (H.B. No. 2302, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Ige and carried, Conf. Com. Rep. No. 148-12 was adopted and H.B. No. 2302, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Taniguchi).

Conf. Com. Rep. No. 165-12 (S.B. No. 2776, S.D. 2, H.D. 2, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 165-12 be adopted and S.B. No. 2776, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“Colleagues, this is the primary bill for the Justice Reinvestment Initiatives. As I stated earlier, when you look at all of the bills that we’ve passed this session, it is a very wide spectrum that has not been done in this body and within this Capitol for decades. We have had an opportunity for three individuals from the mainland—one based in Seattle, one based in California, and one based in Texas—to come and assist us beginning last year; and it was an endeavor that had the support of Governor Abercrombie, Chief Justice Mark Recktenwald,

Speaker Say, and President Tsutsui. We met many, many months, and what you see before you is a very, very well-crafted piece of legislation that will begin a new era in public safety, in changing and making efficiencies and improvements within our corrections system and our judicial system.

“Public safety is paramount. This is not an early release program, but this is an opportunity for Hawai‘i to continue to move forward in its efforts to bring back the 1,700 inmates that we currently have incarcerated on the mainland, where we are spending approximately \$45 million per year, and have that money spent here locally within our economy, and providing jobs and opportunities here for our Hawai‘i residents. Colleagues, this is a measure that certainly should pass; and thank you for all of your efforts and help as well. Mahalo.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 165-12 was adopted and S.B. No. 2776, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC SAFETY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2785, S.D. 2, H.D. 2:

Senator Gabbard moved that S.B. No. 2785, S.D. 2, H.D. 2, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“Colleagues, consider this: The concept of an interisland undersea cable is not a new idea. We’ve been talking about this since 1881. Yes, 1881. In that year, King David Kalākaua met with Thomas Edison in New York to discuss geothermal power from volcanoes in Hawai‘i and using undersea cables to carry power between the islands. And here we are today, looking to move ahead with this concept some 131 years later. It’s said that the wheels of government turn painfully slow, but this is ridiculous.

“Please allow me to lay out the situation that Hawai‘i faces. First, some simple math—and to be clear, I barely squeaked out of birdbrain college math with a passing grade, but even I can understand these numbers: Hawai‘i spends \$4 to \$6 billion every year importing foreign oil. Last year, it was \$5.09 billion buying over 46 million barrels of oil. This is, in a word, stupid. Why? Because we have unlimited amounts of world class sun and wind; we have Tutu Pele on Hawai‘i island, ready and waiting to share her geothermal energy with us. Ocean thermal, wave energy, biofuels—it’s all built in here, part of our natural resources. We depend on imported oil to generate 77 percent of our electricity needs, compared to the national average of 1 percent. We must use low sulfur oil, mostly imported from Indonesia, where prices are about \$30 to \$35 per barrel higher than posted commodity prices for oil. This leaves us continually facing the highest electricity prices in the nation. The volatility of oil prices makes our economic situation very vulnerable, given that a big spike in oil can have a catastrophic impact on our way of life.

“We must continue advancing our goal of greatly reducing our dependence on fossil fuels and ramping up our use of the incredible renewable energy resources that Ke Akua has provided for us. This bill is a result of a two-year long collaborative effort between the Consumer Advocate, DBEDT, HECO, the PUC, the Legislature, and the Administration. Passage of this bill does not mean that an interisland transmission cable will be built, but if—if—a cable is built, this bill authorizes the PUC to regulate any cable as a cable utility. This bill does not short circuit the environmental review

process. Any cable developer must still go through the environmental process. The bill does not leave out public input. In fact, this bill specifically requires the PUC to hold a public hearing on each affected island.

“The question has arisen as to why do we need to do these big renewable energy products? Why not just put solar panels on every home and business in the state? While most of you know that I’m totally in support of making this happen, the truth is we need both distributed energy generation and the bigger utility scaled projects to harness geothermal and wind energy. For example, based on our clean energy goals, if we maximized our use of solar energy, we could provide roughly only 17 percent of the electricity needed statewide. Our islands depend on each other in many ways. In the case of renewable energy, the neighbor islands are blessed with more natural resources. O’ahu, with the largest concentration of people, has the greatest energy demands, but at the same time, O’ahu helps the neighbor islands through its broader tax base to fund schools, roads, other infrastructure, and social services for those islands. It makes sense for our islands to be interconnected. This will allow us to strengthen and improve our electricity grids, and at the same time enable us to levelize our electricity rates. In other words, rate payers on connected islands would pay the same rate.

“Colleagues, while the discussions may have begun with a simple tie from a wind project to O’ahu almost five years ago, the concept has evolved to a better understanding of the benefits that could come from an O’ahu grid to Maui grid connection. Maui is becoming increasingly important as the hub for renewable energy development potential, as well as the interconnection point with Maui County and, in the future, to Hawai’i island. Again, passage of this bill ensures that if there is any cable development in the future, it would be subject to regulation by the PUC as a cable utility. I ask that you join me in voting for this measure. Mahalo.”

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

“While I rise in support of this measure, I want to acknowledge some of those legitimate concerns that have been raised by folks on Moloka’i and Lāna’i. As a neighbor islander, it’s easy to feel like the concerns of our small, rural, and less populated islands get short shrift from our big sister on O’ahu. For some neighbor islanders, information may be hard to come by. It’s expensive to fly over for face-to-face meetings; and sometimes it feels like things are being done to us, not with us. Out of respect for those concerns, I had hoped that we would be able to conference with the House on this bill; and I thank the chair of the energy committee for honoring that request. Then, we could have developed what I thought would be a clear policy statement about where the cable would go and the need for community consensus, as the Senate draft had provided in the bill’s preamble. Our language stated, ‘Nothing in this act is intended to require the construction of an interisland cable from the islands of Moloka’i and Lāna’i to O’ahu, unless the communities affirmatively request an interisland cable. Such a simple sentence to acknowledge the concerns.

“The House draft was more generic: ‘Nothing in this act is intended to require the construction of an interisland cable from any particular island.’ From the beginning, we’ve tried to provide opportunities for input from communities potentially affected by this measure. That’s why we started with a fresh bill this session, rather than going back to conference on last year’s bill. It was important to vet the measure thoroughly, and hopefully provide clarity and understanding in the process. I felt written acknowledgment and a conference committee report would advance that clarity and understanding. Unfortunately, the House did not agree to conference on this matter; and we are here today to vote on the final version of the bill, including the amendments made by the House to S.B. No. 2785.

“This bill, as our lead conferee and chair of energy noted, establishes the regulatory framework for developing, financing, and constructing an underwater transmission cable. It is important to note, however, what this bill doesn’t do. It does not require that an underwater transmission cable be built, nor does it specify that certain islands will be the subject of any potential cable. Also, as I’m sure we’re all aware, underwater transmission cables have been deployed in other places around the world; and our discussion, as the chair of energy noted, in Hawai’i’s waters is not new. As we move forward to a more sustainable energy policy, it is important to be open to projects like this one to help our state achieve its goals. Currently, each island has its own electrical grid, and there is no interconnectivity among the islands like you would find among different jurisdictions on the mainland.

“As Hawai’i moves to develop more alternative energy resources, like expanded geothermal power, it may be prudent to provide for the interconnection of these electrical grids to ensure that all of our power needs are met. It is desirable that the regulatory framework established by this bill be in place so that any potential bidder for a cable project know just exactly what the rules of the road are, what the expectations and outcomes need to be before they sink money into developing a bid. The provisions in this measure will help to ensure that any project selected would be commercially reasonable, as well as feasible. I simply don’t subscribe to renewable energy at any cost, and thankfully, neither does the PUC. Again, S.B. No. 2785 provides a pathway towards an underwater transmission cable, but it does not in any way mandate one.

“Although this bill is important for Hawai’i’s energy future, attention must be given to the concerns raised. Maui island has excess power and the capacity to produce more. Maui island, I believe, is poised to become an energy exporter. For any cable project that moves forward, my preference and hopefully that of all of our colleagues, would be to establish a grid-to-grid cable that one day could tap the abundant geothermal on the Big Island and the excess wind and other power from Maui island and connect to energy needs on O’ahu. Such a grid-to-grid project would provide the benefits of a reliable, interconnected, major islands grid that would allow ratepayers the benefit of the economies of scale, and not be a burden to any one individual community.

“Any project that goes forward, in my opinion, must be pono. It simply must be commercially feasible, and not saddle ratepayers with unreasonable costs. Fortunately, I’m sure and I know that the PUC shares my concerns about the cost of electricity and the desire for affordable rates. They’ve demonstrated as such that commitment already in turning down a project that would have been costly, using unproven technology on the Big Island.

“S.B. No. 2785 provides the framework under which an interisland cable can be considered, vetted, and proposals for deployment reviewed and evaluated. As part of our overall strategy to achieve energy security and independence from imported fuel, I believe such a cable should be thoroughly explored as a way to connect the grids of the major islands in our state. Because I believe there is merit to such an orderly, considered, open dialogue on the merits and concerns regarding an interisland cable, that is why I will vote ‘yes’ on S.B. No. 2785, H.D. 2. Mahalo.”

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

“Mr. President, I rise in support, but at the same time I have to express the reservations of my constituents on Moloka’i and Lāna’i towards this bill. And quite frankly, what it comes down

to was lack of clear dialogue with them, which has led us to this point.

“Now let me be clear: The idea of an undersea cable between our islands has been one that we have talked about for a very long time. In 2002, when we passed the landmark legislation that created the renewable portfolio standards and also set forth Hawai‘i’s pathway towards renewable energy, we talked about an interisland cable. Fast forward to today, 10 years later: Maui has become the energy hub. If you look at the energy being produced on Maui, we have excess wind, we have wave energy being explored, we have biomass, we have solar, photovoltaic—all of these energies are being produced, but what is the one thing that we do not have? We don’t have an abundance of firm power backup.

“Many of my constituents in Haiku, Makawao, Pukalani, Kula who have wanted to put in photovoltaic systems on their homes have been told ‘no’ by the utility because the grid has too much renewables on it. The grid has become unstable. What this cable will do for us on Maui is that it will provide the firm power backup that we need to enable all of these technologies to go. So to be very clear: Maui seems to be the hub. Maui will produce the energy, and I have to add geothermal. In Hawai‘i, we have a situation where most of the renewable energy is on the Big Island and Maui, and most of the need is on O‘ahu. We have reverse situations; O‘ahu does not have the renewable, and yet has the firm power backup. The Big Island and Maui has the renewable, but we do not have the firm power backup. It makes sense to do a cable between these islands. I’m only sorry that we had to go through such a convoluted path to reach this point.

“I want to thank all of you for receiving the emissaries and the missions of the people of Moloka‘i and Lāna‘i to your offices to hear their points of view, to understand that these small communities really don’t want to be overrun by large, large wind farms, by large energy producing technologies. They want to simply exist and simply be a part of our society, and contribute, yes, but not become the engine, not become the power plant for the rest of the islands. The reality is with the advent of Kaheawa Wind Farm in Maui, with Auwahi Wind Farm on Maui, that we will have ample wind energy from that island. With the advent of all of the other technologies coming on, Maui will be the island, along with Hawai‘i; I cannot forget to include the Big Island. These two islands will be the engines that are needed to supply the energy for O‘ahu; and we cannot forget that the energy from O‘ahu, the firm power from here, will support all of our renewables on the neighbor islands.

“So with that, members, I want to thank you for bearing with all of us during the last few years as we went through this. But I especially want to say mahalo to the people of Moloka‘i and Lāna‘i for enduring this; for the real fear and the real kanalua and the real mix up inside that they feel because think about it. If someone wanted to come to your home, and put in something, the biggest thing that you would ever see in your backyard, you would have these same feelings, too. So, I want to thank them for enduring this and for understanding all of what we went through; and most importantly, for becoming active voices and making sure that their point of view is heard. They did a very good job lobbying, coming down, talking to all of you; and again, I thank you for receiving all of them. Thank you, Mr. President.”

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

“I was privileged to be visited on several occasions by members of the neighbor islands, particularly Lāna‘i and Moloka‘i; in fact, we acknowledged them in our gallery this morning. I didn’t just see them; I listened to them, and what they have to say makes a lot of sense. And while it is true, we

can go back many years and talk about we’ve had this idea and that idea and it’s been a long time, I think part of the problem is in this process that has systematically cut the people out of the decision making and made it more difficult for them each and every time. The good senator from Maui talked about O‘ahu being the big sister; I look at O‘ahu as being ‘Big Brother’. And I think that for too long now, we have kind of mixed emotions in this very body. In some cases, we don’t like what O‘ahu does and we all band together for the neighbor islands, but when there’s something that there’s a benefit to some of our favored people within the community, then we say, ‘Thanks for your input, but no thanks, we’re going to go ahead.’

“The fact that we didn’t go into conference, the fact that we accepted the House version, the fact that the public had no input in further deliberations tells me that there’s something wrong with the project. And when you have to spend so much time year after year trying to convince the people that this is good for you—take it, like it, get used to it—then there’s something wrong. It’s our job to make the project understandable, to talk about it in ways in which it’s a win/win situation. That is not the case with this bill. And by the way, just listening to the discussion over the last few minutes, I didn’t hear talking about just the PUC framework; I heard how we’re going to go ahead with the cable, and we’re going to have the grid, and we’re going to unite everybody together, and we’re going to use all of the resources of the neighbor islands, primarily to benefit O‘ahu. That’s what I heard; now possibly I’m wrong. But then I look at the people that are supporting this bill and the organizations, and they’ve never wavered; they want this bill. They want the taxpayers, the government, the ratepayers to be on the hook for this particular project.

“Now, some of you know that I’m an economist by trade, and I certainly acknowledge and believe in economies of scale. It certainly can be good. But here we are in Hawai‘i with the highest electric rates in the nation, with the neighbor islands having even higher rates than we do here on O‘ahu. We talk about clean energy, we talk about alternatives, but in the meantime, we do everything possible to help our single monopoly utility. And in every bill where they’re involved, we make sure that not only do they get a guaranteed rate of return, but we’re going to give them an even higher rate of return, and we’re going to add surcharges and more profitability to this monopoly. This utility monopoly should be deregulated and people should have choices. And while the grid is a good idea overall, connecting the islands, we’ve also learned on the mainland and other places that if you have everybody hooked up to one grid and all dependent on that, if that grid goes down for any reason, natural or unnatural, then everybody in the state is disconnected. With all the uncertainties and all the problems with individual electric and utility distribution by county, at least you’ve got that independence.

“And I’ve raised the issue before about the technology of putting this \$2 to \$3 billion cable—I know we’re talking \$1 billion, but I’m talking realistic economic figures. It’s a \$2 to \$3 billion undersea cable. We’ve been told we have cables all around the world, we have cables in Hawai‘i, and that’s true, but none to the extent and to the depth as this cable would be. I’ve even had the environmentalists come in and worry and be concerned of the effect of the cable on our mammals, on whales, on dolphins. I don’t know whether that’s true or not. I remember when some of these same groups raised a hue and cry with the US Navy about what the effect of the sonar and their instruments were having on these mammals; and I know that the United States Navy has now made changes in its policies.

“The good senator of the energy committee mentioned the other day that even if we don’t pass this bill, private developers could go ahead. No, they can’t. No, they won’t. First of all, there would be adequate public input, but more importantly, if

they could go ahead, the private developers would have done this years ago. They don't go ahead because they need the fiscal backing of the state. They need the power to the utility to guarantee that the ratepayers will continue to pay even more and take it in the shorts. And that's what this bill does. This bill guarantees that that's the path that we're on; that this legislature, this Senate, is behind this. And boo hoo from the people on the neighbor islands; yeah, we listened to them, but we're going to ignore them. They have not had an opportunity for full and open discussion and debate. And while the PUC may have made some good decisions in the minds of many, the PUC is a changing body; and who knows who will be appointed in the next couple of years or what decisions they will actually make.

"So, here we are with a project that does not have public support, does not have the opportunity for thorough examination in a conference committee. We could not, obviously, get the House to come to the conference table and change some of their ways, just like we couldn't get them to agree to a well-reasoned Senate CIP. So, what's the rush? Why do we go ahead now? Why don't we listen to the people? Why don't we take the time to get real input on each island and find out if there are other things and other ways to do this, rather than to bow down to the monopoly utility as we seem to always do? Thank you, Mr. President."

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

"No, it is not unexpected that we're going to have individuals who are against this measure; and the residents of Moloka'i and Lāna'i have been heard, and all the other advocates who were against this have been heard. This is an important discussion for the State of Hawai'i that will affect us for generations to come and for decades to come: alternative energy for our state. I believe the figure that's been thrown around is approximately \$7 billion spent each year to purchase oil. Now, if we're spending \$7 billion, and the cost of this undersea cable—which has not been decided yet, let's make that clear. It is not going to be built next year. It's not going to be built in two years. It's not going to be built in five years. So, the discussion is just beginning on one of the most important issues facing our children and grandchildren. Many people remember when gasoline was \$1 a gallon; the elderly, the kupuna, of course. Our generation, \$3 to \$4 a gallon. Imagine when gasoline—and it will be, colleagues and guests—gasoline will be \$6 a gallon, \$7 a gallon, \$8 a gallon. The desire and need for alternative energy will be so important that all forms of energy will be considered.

"Again, this is the beginning of that discussion. Nothing will happen overnight. The people of Moloka'i, Lāna'i, and the neighbor islands will be heard. They have been heard, and this is the beginning. This sort of reminds me of the rail debate that began 30, 40 years ago—*30 or 40 years ago*. We've been talking about alternative energy for decades, as the senator from Maui suggested; and yet, how much closer are we to reaching that 70 percent that has been stated, of which 30 or 40 percent is conservation. This is a bill that begins the discussion and keeps it firmly alive; and we know those who are opposed are going to be at the forefront to make sure it is done right and properly. I urge all of my colleagues to support this bill. Thank you."

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

"I've waited the whole session to agree with the minority leader; he finally makes sense. Before rising in opposition, I wanted to ask the chairman of energy, who I'm sure only was kidding when he said he had birdbrain college math because I know he didn't have a birdbrain college math degree, but I wanted to ask him: The minority leader suggested that the project would be \$2 to \$3 billion. What would the cable cost if

it were to be built today, as opposed to the majority floor leader who said five years from now. What would a cable cost? Would you ask the chairman of energy to yield?"

Senator Gabbard responded as follows:

"Yes, the cost, as the minority leader pointed out, the estimate at this point is \$1 billion."

Senator Hee continued:

"Thank you, Mr. President. I wasn't sure if that's \$1 billion in 2012 dollars or \$1 billion in 2017 dollars, but no matter—a billion is a billion as the economist minority leader has indicated. I'm presuming, and I'm happy to be corrected, that the cost of the installation of the cable would be borne by the ratepayers and, by extension therefore, by the taxpayers.

"I'm also presuming that the chair of energy, who characterized Tutu Pele as waiting and willing to share, he must have a pipeline to Tutu Pele. I frankly find that a little offensive. Any suggestion that this is pono I find offensive. Actually, I find that tragic, not offensive. I have been here long enough to have lived through the Superferry, which is a connector of O'ahu to the neighbor islands. Out of that debacle to rush and avoid environmental and other review, it clearly enunciated the hostility between neighbor islanders and O'ahu people; the best example of which emanated from the rule of no coolers allowed on trucks. It was graphically displayed when one of the first Superferry cases were three trucks from O'ahu which were confiscated at Kahului loaded with imu stones. The interconnector called the Superferry resulted in graphic hostility between neighbor islanders and O'ahu.

"I think many of you know I have lived on Moloka'i, still own a house there, and but for that island I would not be here. I think it's time to change the way that we think in Hawai'i. I think it's time to take a lesson from other islands who learned to go without. I have a generator in my upper barn; and when the sewer and the electricity goes out, I fire it up so that the refrigerator stays cold. I haven't used it since I bought it several years ago because I figured when the electricity goes out, it's better to sit quietly and wait for it to come back on. Soon as I scrape up enough money, I'll put a PV system on my roof so that instead of paying whatever I do pay, I can be like my neighbor who pays \$20 a month to HECO, \$16. That seems like a more economical way to proceed as civilized people, who may or may not have a birdbrain college math degree. It's not stupid, as was later shared with this august body. In fact, it makes perfect sense.

"I don't think that this bill does anything more than encourage the development of a system and discourage common sense thinking on how to proceed. This reminds me of the mayoral debate, ongoing; and I believe common sense will prevail in August (and if not August, in November). That way this issue will be given a fair evaluation on what taxpayers think of higher rates for an interconnected system that should not be passed at this time. I vote 'no'. Thank you."

Senator Gabbard rose in rebuttal and said:

"First of all, I would like to apologize to the Senator from Kahulu'u if I have offended him; the remarks that I made were not intended to offend or be considered tragic. Also, to address some of the points that were made from the Senator from east Honolulu: In early November of last year, we had a listening tour of the islands of Moloka'i and Lāna'i. There were members of the Senate as well as members of the House who were present. We made it clear to all who came to the community meetings that we were not there to jam any legislation down their throats. We simply came to listen. So, we got their input, and I shared it with my colleagues. The impression that I've gotten from the legislators from Hawai'i island is that they very

much favor some of the legislation that has been introduced for the sharing of Madam Pele's energy with all the islands. I want to remind you all, colleagues, that this bill simply says that if a cable is built, it will come under the purview of the PUC; that is all that this bill says. That is what we are deciding today, so I urge you to vote 'yes'. Mahalo."

Senator Slom rose rebuttal and said:

"Gee, as much as I would really like to jump to the bait and talk about rail, we want to get out of here sometime today, so I won't do that. And I do acknowledge the good Senator from Kahalu'u; he's finally seen the light. He understands now. And with the movie *The Avengers* coming out—I mean, superheroes. Why, what a terrific thing this would be, the two senators together.

"I just wanted to say that there is a difference between hearing someone and acting and listening on what they say, and I don't think that we have done that. We may have heard what they said, but we haven't done what they are asking.

"And finally, maybe the good Senator from Kahalu'u and I could offer a floor amendment that would seek to capture the excess hot air and wind energy from this building alone and send it back to the neighbor islands. We don't even need an undersea cable for that, but I guess that's an argument for another time. Thank you, Mr. President."

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

"I also rise in support of my Maui colleagues; I would like to commend them for their remarks. Mr. President, as you know, this issue has been debated in this legislature since 1982. The bottom line is: We talk about \$7 billion in terms of what's being exported in fossil fuel. If you were to break that down, we're talking about \$1.7 million a day that leaves this state. I was very much disappointed; I, too, would have liked to see the bill debated at conference between the House and Senate. I think that if we had gone through that process, we would have had a better bill. I feel very strongly that the Big Island has to be involved, no matter how we look at it, simply because geothermal energy—Mr. President, as you know, we've passed the bill—geothermal energy is going to be considered a firm power in this state.

"It really distresses me when people use the word of Pele and the kino lau of Pele as something that is used to support a mana'o that really didn't come from the Hawaiian people. But I just want to make clear: If one knows the story of Pele and her legendary sisters, Pele bestows her powers on her youngest and favorite sister Hi'iaka so that Hi'iaka can help mankind. I think that this is the proper interpretation of the kino lau of Pele. The kino lau in Hawaiian means different manifestations of a god or goddess and how this manifestation is seen in the real world.

"I think the problem with geothermal energy, Mr. President, has been how the resource has been managed from the time that we allowed geothermal energy until today. I feel that there have been many abuses of the power. I never could understand—I mean, for the life of me, if we're talking about, I think the Big Island is at 42 cents when in fact the resource of geothermal is at 8 cents. The question has always been: Well, what's happening with the money between 8 cents and 42 cents? I think that these are concerns that we in this body seriously have to look at. This is why I was very pleased when finally, on our Public Utilities Commission, we have people there that understand what we're talking about and understand the environmental perspective as to this resource.

"I agree with some of the remarks of the minority leader. I think a lot of this has to do with the monopoly that we've had here in our islands. Since the days of King David Kalākaua—

this is how long we have been wrestling with these issues. And I really feel that the people of this state need to be liberated from what I call this kind of bondage that we've allowed our people to be a part of.

"Of course, if I had my druthers, I'd rather see the underwater sea cable funded, period. I think the underwater sea cable should be owned by the consumer of this state. The consumer should own the gate, Mr. President, not a private entity or private business. And the consumers of this State of Hawai'i, Mr. President, would benefit in a very positive way, in terms of decreasing their cost of energy. This is not something new. We've discussed this many, many times in this body, where utilities should be owned by the consumer. The grid, the expansion of the grid, should be owned by the consumer. This is why—if you look back at 1978 and the Con Con—this is why we allowed special revenue bonds. This is why we gave special revenue bonds to the public utilities, with the thought that when they improve the utility, the savings on those improvements would have been passed on to the consumer. Unfortunately, to this day we've never seen any of those dollars going back to the consumer. I think that we are on a moment of a 'New Day' in Hawai'i, if you want to use that phrase of our governor, because as we look into geothermal energy, as we look into alternative energy, as we look into the savings that we could realize, that is truly a way of expanding our economy. Eight cents to forty-two cents is a lot; and the consumer should be the beneficiary of those dollars, of those differences, in terms of cost, production, and distribution.

"I'm looking forward—if, God willing, any of us do return for next session, and I'm hoping that many of us do return; at least we have an institutional memory, or mindset, as to how this can really become a reality for our people of Hawai'i. So with that, Mr. President, again I'd like to speak in support of our Maui colleagues. And yes, Maui and Hawai'i had one time in the Kamehameha Kingdom that we were united as one kingdom, and I'm looking forward to the day that we can, as it says in the famous 'Kaulana Nā Pua,' that we can a'o and kōko'o our sister here on O'ahu. Thank you very much, Mr. President."

Senator Green rose to speak support of the measure as follows:

"I support this bill because I see this as a way for the Big Island to become an energy exporter. I see it as a way for us to have lower rates long term. I think that the people of our state really want and deserve clean energy; and there's no other way to achieve that without bringing us all together with an energy system that includes uniting all islands, if they choose to opt-in. I'm cognizant of the concerns of Lāna'i and Moloka'i; we're extraordinarily respectful, and we will protect their interest going forward. But I do think that Big Island will need to be connected to Maui and to O'ahu over time to achieve our clean energy interests. Thank you, Mr. President."

Senator Hee rose in rebuttal and said:

"I like most of the comments that have been shared, some in support, but clearly I think that the comments that have been shared in support are one-sided. For example, the previous speaker makes good sense, and he says that people can choose to opt-in. Well, that's true—only if they're forced to pay for the cable. Then, you have no choice to opt-in because you certainly can't choose to opt-out. And to me that's the foundation of the issue here. You know, having lived on a small island, I can clearly understand what it is for people to be heard and not listened to. And parenthetically, let me add that I remember when gas was 49 cents a gallon, and I'm not kupuna.

"In any event, if the Big Island and Maui have all the energy and more, that's terrific; that's really terrific. The Big Island

and Maui should be focused on why is their cost of electricity so high if they have an overabundance of energy? And why isn't MECO and HECO (you get the idea), why aren't they responding to the overabundance of energy? And if it's because their system cannot handle the overabundance of alternative energy, why isn't the discussion on handling the overabundance of energy so that Madam Pele, which was preferred previously as Tutu Pele, can assist that island?

"The proliferation of housing on this island will continue with more energy; and the dependence, the mental dependence of people to energy will only exponentially grow. We don't need electricity. Our kupuna—and I use that with great reverence—got by without electricity. And I'm not suggesting that therefore we should go back to a kikepa and a malo, but rather redesign our thinking so that we take care of each other ourselves. This cable is emblematic of much more than an expensive cable that will end up costing everyone more; and I don't want to get into the rail debate, but you get the idea. Thank you, Mr. President."

Senator English rose in rebuttal and said:

"I'd just like to make sure certain points are entered into our record: The first is that the hub is Maui and the Big Island, and that the bill before us is a regulatory framework bill and it lays out a framework. It does not authorize a cable. There's no bids before us for a cable. It simply sets up the governing regime for it.

"The second point (or third point, really) is that the Big Island and Maui have an overabundance of renewable energy; and if you understand energy policy, when you have an overabundance of renewables, you make the grid unstable. This is what the utility companies are dealing with—an unstable grid—especially on the Big Island and now beginning on Maui. In fact, the wind production on Maui, Kaheawa produces about 30 percent of our power; with the advent of Auahi Wind in the next few years, about another 15 percent, 20 percent. But at this point, they're already curtailing. They're already stopping the windmills because there's too much intermittent power and not enough firm power. That's why the concept of the cable becomes important. The production is on the Big Island and Maui; the need is on O'ahu. If there is a link, all of that excess renewable power from the Big Island and Maui will be used on O'ahu; and likewise, the firm power that's produced on O'ahu will support Maui and the Big Island.

"As for Moloka'i and Lāna'i—and this is probably the most important point—the economics of it simply says that more than likely they will not be connected to any grid system. Simple economics. If the power is already produced on the Big Island and Maui and the need is already established on O'ahu, who would finance something to put in both a cable and the wind generation when it already exists. So, the economics, I think, will drive this one. And frankly, for Moloka'i at least, I'm excited watching what they're doing because they're looking at the cutting edge technology and looking at how they can create their own energy independence, and we need to support that vision.

"So, to be clear and to make sure that on the record we know that the intent behind this bill is to allow for the regulatory framework, nothing more; that this body has supported all along an opt-in option for Moloka'i and Lāna'i, and we continue to do so. 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. 2785, S.D. 2, and S.B. No. 2785, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTERISLAND ELECTRIC TRANSMISSION CABLE SYSTEMS," having

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

Ayes, 22; Ayes with Reservations (English, Fukunaga, Ige, Ihara, Kim, Nishihara, Ryan, Shimabukuro, Tokuda, Wakai). Noes, 3 (Chun Oakland, Hee, Slom).

FINAL READING

MATTERS DEFERRED FROM TUESDAY, MAY 1, 2012

Conf. Com. Rep. No. 70-12 (S.B. No. 155, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Baker, seconded by Senator Espero and carried, Conf. Com. Rep. No. 70-12 was adopted and S.B. No. 155, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ATHLETIC TRAINERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 90-12 (S.B. No. 2383, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 90-12 was adopted and S.B. No. 2383, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES TO THE GENERAL PUBLIC," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 117-12 (H.B. No. 2248, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Tokuda, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 117-12 was adopted and H.B. No. 2248, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII PACIFIC UNIVERSITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 745, S.D. 2, H.D. 2:

On motion by Senator Gabbard, seconded by Senator Ige and carried, S.B. No. 745, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 132-12 (H.B. No. 1800, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Ige, seconded by Senator Tokuda and carried, Conf. Com. Rep. No. 132-12 was adopted and H.B. No. 1800, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 134-12 (H.B. No. 2684, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator English, seconded by Senator Ige and carried, Conf. Com. Rep. No. 134-12 was adopted and H.B. No. 2684, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ZIPPER LANE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 135-12 (H.B. No. 283, H.D. 1, S.D. 2, C.D. 1):

Senator Nishihara moved that Conf. Com. Rep. No. 135-12 be adopted and H.B. No. 283, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

Senator Nishihara rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"I rise in support of H.B. 283, which authorizes the transfer of \$196,000 from the agricultural loan revolving fund to the pest inspection, quarantine, and eradication fund. This allows the Department of Agriculture to implement a program to aid in controlling and eradicating the coffee berry borer. While further funding may in time be necessary to aid in the eradication of this persistent invasive pest affecting our local coffee industry, this provides the financial support to work toward some measure of meaningful control. I thank the members of the Ways and Means Committee for acknowledging the serious nature of this particular pest and its effect on our vital coffee industry. I ask for your support in passing this measure."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 135-12 was adopted and H.B. No. 283, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 136-12 (H.B. No. 1942, H.D. 2, S.D. 2, C.D. 1):

Senator Nishihara moved that Conf. Com. Rep. No. 136-12 be adopted and H.B. No. 1942, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige

Senator Nishihara rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"I ask for your support of this important program that is critical to achieve our states goal of protecting our beautiful islands from the many invasive plants, animals, and other plant diseases that threaten our state. This allows monies currently in the Pest Inspection, Quarantine, and Eradication Fund of the Department of Agriculture to be used for the Electronic Manifest Program. This will help the department's Plant Quarantine Branch in their Biosecurity Program. This will aid the branch to receive information from a manifest identification program to better target high-risk produce and the shippers before their products enter our docks. It is a worthy program and deserves our support. I ask that you vote in favor of this bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 136-12 was adopted and H.B. No. 1942, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 137-12 (H.B. No. 1943, H.D. 2, S.D. 2, C.D. 1):

Senator Nishihara moved that Conf. Com. Rep. No. 137-12 be adopted and H.B. No. 1943, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

Senator Nishihara rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"I rise in support of H.B. 1943, which is another of a number of bills that will better ensure that our state is doing everything it can to protect our citizens and our economic future in the onslaught of invasive species confronting our seaports and airports every day. The appropriation of the modest amount of funding will go a long way. The use of detector dogs in the fight to stem the introduction of the many invasive pests such as snakes, bats, insects, and other non-desirable plants or animals will protect the public from harm. We have already witnessed the consequences of non-wanted introductions such as boa constrictors, pythons, reptiles, and even piranha. This program will help in our state's fight to protect the public and our environment as well. I strongly ask for your support of this bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 137-12 was adopted and H.B. No. 1943, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 138-12 (H.B. No. 2100, H.D. 2, S.D. 1, C.D. 1):

Senator Tokuda moved that Conf. Com. Rep. No. 138-12 be adopted and H.B. No. 2100, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

Senator Nishihara rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"If you feel that your fruit trees need to continue to bear fruit and that you appreciate receiving a mango on occasion, you should be in support of this bill, so I ask that you vote in favor of this bill. The consequence of the diminishment of our bee population as a result of the Varroa mite and small hive beetle has direct effects on our food production. This bill will appropriate funds to the University of Hawai'i to do beehive research. The results of the research will have a bearing on how beekeepers can better protect their hives, and in doing so ensure the health of our agriculture industry. The bee may be a small creature but its impact on our environment exceeds its size. So, let's give it up for the bees and do right for all that they do; vote yes."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 138-12 was adopted and H.B. No. 2100, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 139-12 (H.B. No. 1953, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 139-12 was adopted and H.B. No. 1953, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL CARE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 141-12 (H.B. No. 1755, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Hee, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 141-12 was adopted and H.B. No. 1755, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VOTER REGISTRATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 143-12 (H.B. No. 2883, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Dela Cruz, seconded by Senator Ige and carried, Conf. Com. Rep. No. 143-12 was adopted and H.B. No. 2883, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MAKAHA VALLEY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 144-12 (H.B. No. 2806, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Galuteria, seconded by Senator Ige and carried, Conf. Com. Rep. No. 144-12 was adopted and H.B. No. 2806, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIANS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 146-12 (H.B. No. 2873, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Espero, seconded by Senator Ige and carried, Conf. Com. Rep. No. 146-12 was adopted and H.B. No. 2873, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 154-12 (S.B. No. 2116, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Tokuda, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 154-12 was adopted and S.B. No. 2116, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," having been

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

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 158-12 (S.B. No. 2939, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 158-12 was adopted and S.B. No. 2939, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ST. FRANCIS HEALTHCARE SYSTEM OF HAWAII," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 161-12 (S.B. No. 2435, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Green and carried, Conf. Com. Rep. No. 161-12 was adopted and S.B. No. 2435, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION ACCESS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 162-12 (S.B. No. 2779, S.D. 2, H.D. 1, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 162-12 be adopted and S.B. No. 2779, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ihara.

Senator Chun Oakland rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"This bill is a significant and historic piece of legislation, establishing an aging and disability resource center in each county to streamline access to long-term supports and services for older adults, persons with disabilities, and family caregivers.

"Our hope, as a legislature, is that there can be a one-stop center that people can call, visit, and communicate with to obtain important information on long-term care services and supports that can improve their quality of life as it becomes more difficult to do the activities of daily living. It will be an invaluable resource to our family caregivers as the baby boom tsunami hits our community. We expect that by 2030, 20 percent of our population, or one out of every five people, will be 65 years and older; and building the human and physical infrastructure now to adequately meet the needs of our residents in the future is critical.

"I am proud of my colleagues, the governor, and the community for working together to make this bill a reality."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 162-12 was adopted and S.B. No. 2779, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGING AND DISABILITY RESOURCE CENTERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 163-12 (S.B. No. 2261, H.D. 1, C.D. 1):

On motion by Senator Espero, seconded by Senator Ige and carried, Conf. Com. Rep. No. 163-12 was adopted and S.B. No. 2261, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WEED AND SEED PROGRAM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 166-12 (S.B. No. 2320, S.D. 2, H.D. 2, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 166-12 be adopted and S.B. No. 2320, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Green.

Senator Chun Oakland rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"I stand in strong support of S.B. No. 2320, C.D. 1. This bill establishes in statute the kūpuna care program, which provides Hawai'i's older adults with resources for affordable home- and community-based services. This measure supports many of our lower and middle income families who struggle with the long-term care needs of their loved ones.

"This bill supports home-delivered meals, personal and chore services, respite, transportation, and other services for our kūpuna statewide.

"This bill also supports healthy aging programs, senior centers, and a wanderer's registration service for people with dementia or Alzheimer's disease.

"This measure is an outstanding example of the Legislature's commitment to our kūpuna and family caregivers. Mahalo to the many kūpuna, many of whom are here today, for visiting with us throughout the session. Mahalo to all of you and our House colleagues for making this bill a priority. Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 166-12 was adopted and S.B. No. 2320, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 167-12 (S.B. No. 490, S.D. 3, H.D. 1, C.D. 1):

On motion by Senator Kim, seconded by Senator Kouchi and carried, Conf. Com. Rep. No. 167-12 was adopted and S.B. No. 490, S.D. 3, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 174-12 (S.B. No. 2933, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Dela Cruz, seconded by Senator Ige and carried, Conf. Com. Rep. No. 174-12 was adopted and S.B. No. 2933, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN SAFETY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 176-12 (S.B. No. 2947, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 176-12 was adopted and S.B. No. 2947, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 177-12 (S.B. No. 2678, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Ige and carried, Conf. Com. Rep. No. 177-12 was adopted and S.B. No. 2678, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HONOULIULI," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 178-12 (S.B. No. 2236, H.D. 2, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 178-12 was adopted and S.B. No. 2236, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION TECHNOLOGY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 179-12 (S.B. No. 2958, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 179-12 was adopted and S.B. No. 2958, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 180-12 (S.B. No. 2804, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Chun Oakland, seconded by Senator Espero and carried, Conf. Com. Rep. No. 180-12 was adopted and S.B. No. 2804, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII INTERAGENCY COUNCIL ON HOMELESSNESS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 1:16 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:24 p.m.

FINAL READING

MATTERS DEFERRED FROM TUESDAY, MAY 1, 2012

S.B. No. 2506, S.D. 2, H.D. 1:

Senator English moved that S.B. No. 2506, S.D. 2, H.D. 1, having been read throughout, pass Final Reading, seconded by Senator Espero.

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

“I still feel it’s really a sorry case that the federal government has co-opted the states in the name of security, requiring changes in our driver’s license policies, introducing a special fund in this bill, introducing higher fees. And we saw the spectacle of people racing to try and get their driver’s licenses early after all of the requirements are going to be in effect now and starting in January 2013. But primarily it’s the special fund and the fees that I oppose. 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. 2506, S.D. 2, and S.B. No. 2506, S.D. 2, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CIVIL IDENTIFICATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 85-12 (S.B. No. 240, S.D. 2, H.D. 2, C.D. 1):

Senator Tokuda moved that Conf. Com. Rep. No. 85-12 be adopted and S.B. No. 240, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Green.

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

“When this bill was first passed, the idea was two things: We would get physician assessment—it would help us with physicians on neighbor islands and hard-to-staff areas—and that it was only going to be temporary—it was going to expire this year, in 2012. Now, what we’re seeing is that it’s going to be extended for five more years, and that 50 percent of the fee is going to go for the purpose of the bill, but the other 50 percent is basically a tax in the general fund. So, I think it’s disingenuous at best, and I oppose it. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 85-12 was adopted and S.B. No. 240, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PHYSICIAN WORKFORCE ASSESSMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 86-12 (S.B. No. 2115, S.D. 2, H.D. 2, C.D. 1):

Senator Tokuda moved that Conf. Com. Rep. No. 86-12 be adopted and S.B. No. 2115, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“While I have said that this bill is the culmination of almost a year’s worth of work, with it literally beginning with weekly meetings since July 20, 2011, it really began quite some time ago—1994, to be exact, 18 years ago, when the Legislature took the first steps to create charters, then-called student centered schools. So, it is appropriate then, as charter schools figuratively come of age, that we move into a new era of charter school governance. The creation of a system that is unique to our state in that it takes what has worked in the past, merged it with national models of best practice, and through active engagement with stakeholder groups has resulted in the bill you see before us today.

“Ninety-one pages long, this measure has been tightened and changed throughout the process to address concerns and to

anticipate future needs. Ninety-four amendments to be exact, and I would be remiss if I did not take this opportunity to specifically thank one individual. I assure you, there are many people who need to be thanked for their work on this, but had it not been for Krislen Chun, our SMA attorney who worked with us on both the task force and this bill, getting to this point would have been nearly impossible.

“So, what does this bill do? Centered around the philosophy that autonomy plus accountability equals increased student achievement, this complete recodification of our charter school laws provides schools with the flexibility they need to be innovative while maintaining the requisite level of accountability, as these are public school students and taxpayer dollars. Examples of our efforts to balance autonomy and accountability can be found in many places, including our removal of the cap on the number of charter schools, coupled with a tightening of our application process, ensuring that only strong applications are awarded charter status.

“We’ve strengthened the role of the authorizer and provided them with the authority and capacity to hold their charters accountable, while at the same time moving forward on a recommendation to provide schools with the flexibility and resources they need in regards to the purchase of services and technical support. We’ve established performance contracts, which really are a bit of both, in that it holds schools accountable for meeting the indicators and metrics identified in both their contract and their annual performance targets, while providing schools with clear expectations and the ability to include additional rigorous, valid, and reliable indicators to augment external evaluations of their performance. We’ve changed the form and the function of what will now be the Public Charter School Commission and governing boards at the school level, removing the constituency-based nature of the members while allowing for the appointment of individuals with the specialized skill sets and understanding of charter schools needed to support a successful and thriving charter schools system. And amongst the most controversial, at times, we’ve maintained charter schools’ exemption from various state laws, but made it clear that schools and their governing boards shall be subject to the state ethics code.

“At every point, we have been explicitly redundant, requiring rule making and reporting, defining and highlighting; and yet, we know the real work lies ahead in implementing and transitioning into this new system. And I would like to also thank the chair and vice chair of the Ways and Means Committee for their support in the \$500,000 in transition funding needed to see this through. It will not be easy, and I know that there is much anticipation and fear, but the measure we have before us puts in place a solid system of governance that will be good for all of our communities and for the students served by our charter schools.

“I humbly ask for your support and consideration of this measure.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 86-12 was adopted and S.B. No. 2115, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 101-12 (S.B. No. 1083, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Hee, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 101-12 was adopted and S.B. No. 1083, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS,” having been read throughout,

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

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

Conf. Com. Rep. No. 103-12 (S.B. No. 2323, S.D. 1, H.D. 1, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 103-12 be adopted and S.B. No. 2323, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kidani.

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

"I'll be voting 'no' on this bill and the next bill. Both these bills are predicated on the most favored nation clause in the contract that was negotiated by the HGEA. I understand and recognize that the most favored nation concept came up in the previous governor's administration; and I would just say it was a lousy idea then and it's a terrible idea now. The idea that you can allow, through negotiations, a union to say, 'Yeah, this is our deal, but if anybody gets any better deal from here on in, by any other union, we'll automatically get that.' It's a terrible policy. We should not agree to it. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 103-12 was adopted and S.B. No. 2323, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 104-12 (S.B. No. 2324, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Hee, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 104-12 was adopted and S.B. No. 2324, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR PUBLIC EMPLOYMENT COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 118-12 (H.B. No. 2626, H.D. 2, S.D. 2, C.D. 1):

Senator Tokuda moved that Conf. Com. Rep. No. 118-12 be adopted and H.B. No. 2626, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator English.

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

"Good bill. I support the bill, but it creates a new special fund. I'm in opposition."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 118-12 was adopted and H.B. No. 2626, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAFE ROUTES TO SCHOOL," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 119-12 (H.B. No. 2495, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hee, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 119-12 was adopted and H.B.

No. 2495, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 121-12 (H.B. No. 2476, H.D. 1, S.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 121-12 be adopted and H.B. No. 2476, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kidani.

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

"I have discussed this bill several times. In the past years, I have voted with reservations because of some of the settlements that were made by the state. And earlier this year, in voting against this bill initially, I said that I was particularly disturbed that the attorney general's office has indicated its willingness to agree to so many questionable settlements, opening the way for deep pockets in the state, for people to sue the state because they know that they can get money. And I particularly pointed out the specific case involving our ever professional atheist, who was able to get \$100,000 from this state; and despite my warnings, what happened two weeks ago, this same gentleman has filed a new lawsuit, this time against the former president of the State Senate, seeking more money. And what's to guarantee that there won't be even more lawsuits against us. Forget about free speech. Forget about the fact that this is National Prayer Day. We have opened the door by allowing people to tap into the deep pockets, not of the Legislature, not of the state, but of the state taxpayers; and I think it's a terrible trend.

"Also, we have pending the Maui case where the judge has ruled that the state is 100 percent liable for the tragic situation where the young woman drove off the cliff with her companion, three times over the DUI limit and using marijuana, but drove over the cliff; and the judge has found that the state is 100 percent liable for \$3.2 million. The state still has the opportunity to appeal that case, and I am hoping, I am urging, that the state will not roll over for that amount of money and for those circumstances. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 121-12 was adopted and H.B. No. 2476, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 125-12 (H.B. No. 2275, H.D. 2, S.D. 2, C.D. 1):

Senator Green moved that Conf. Com. Rep. No. 125-12 be adopted and H.B. No. 2275, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

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

"Again, Mr. President, I'm required to vote 'no' on this because it creates additional fees and a new special fund. Thank you."

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

“This is the single most important bill we heard in health this year. This bill, at the request of the Health Care Association of Hawai‘i, with all of their members working together asked us to put into place a hospital sustainability fee which allows them to draw down in excess of \$40 million from the federal government to sustain our hospitals. We saw a hospital close this year. It was tragic. This is exactly the type of legislation that 47 other states did in order to keep hospitals from closing. I’m hoping that we’re going to have a stronger healthcare system as a result of this; and I would urge us all to support it and make sure it passes into law with the support of the governor. Thank you.”

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

“I would just like to thank the health chair for his leadership in making sure that we got a bill that came as close to unanimous consent of all the stakeholders. It really is amazing when you have private entities come forward and say, ‘We’re willing to tax ourselves,’ in order to bring additional money into the state to help not only our public hospitals, but DHS as well. It’s an excellent bill, and I hope the governor will sign it when he gets it.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 125-12 was adopted and H.B. No. 2275, H.D. 2, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HOSPITALS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 129-12 (S.B. No. 2466, S.D. 2, H.D. 2, C.D. 1):

Senator Chun Oakland moved that Conf. Com. Rep. No. 129-12 be adopted and S.B. No. 2466, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“Again, this bill creates another new special fund plus additional fees.”

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

“This is the second most important bill the health committee heard this year. This actually was very similar. This, again, came from the Healthcare Association of Hawai‘i with the leadership of their members. This also has them ‘taxing themselves’ to draw down federal dollars. This brings about \$20 million to these facilities. I would also mention that 12 percent of these monies will go to the Department of Human Services for some of their operations; and combined with these two bills will bring overall about \$8 million to state government to support important programs. It will help us pay for full hospitalization for those people who are on Medicaid; and finally, it’s going to keep hospitals open. So, really critical bills that we pass, that we encourage the governor to sign; and if the fifth floor has any reservations, we of course will revisit these next year as they have sunsets on them to make sure that we have all of the administrative support necessary to keep these important programs in place. Thank you, Mr. President.”

Senator Slom rose in rebuttal and said:

“Since it was mentioned these past two bills that the hospitals, including private hospitals, agreed and voted to tax themselves: I think it’s important to note they did that on the basis of what the percentage was going to be of the use of the funds to recapture matching federal grants. And as the bill

progressed, and the final bill that you just voted on, increased that amount of money that goes to the state and is unrelated to hospital sustainability. So yes, they agreed to tax themselves, but not to the extent to which the money is going to be used. Thank you.”

Senator Baker rose in rebuttal and said:

“There was collaboration; Chair Green made sure of that. But more importantly, the funds that actually will be going to DHS to help make up their shortfall, but it is going into a hospital program to take care of some of the unfunded insurance costs they bear as a result of low or no reimbursement for care to Medicaid patients in those hospitals. So, it’s a win/win all the way around; it’s a win/win for DHS and it’s a win/win for the hospitals. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 129-12 was adopted and S.B. No. 2466, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 133-12 (H.B. No. 1838, S.D. 1, C.D. 1):

On motion by Senator Ige, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 133-12 was adopted and H.B. No. 1838, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE BONDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 145-12 (H.B. No. 2319, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Fukunaga, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 145-12 was adopted and H.B. No. 2319, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 152-12 (H.B. No. 2404, H.D. 1, S.D. 2, C.D. 1):

Senator Fukunaga moved that Conf. Com. Rep. No. 152-12 be adopted and H.B. No. 2404, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hee.

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 152-12 was adopted and H.B. No. 2404, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC INFORMATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24; Aye with Reservations (Slom). Noes, 1 (Kim).

Conf. Com. Rep. No. 153-12 (H.B. No. 304, H.D. 1, S.D. 1, C.D. 1):

Senator Ige moved that Conf. Com. Rep. No. 153-12 be adopted and H.B. No. 304, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

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

“This was one of those bills that helped defer and delay and extend our negotiations the other night; and it has put \$11.6 million in grants-in-aid into this bill. Some of the grants are duplicative; some of the grants are actually covered in other bills. The point is: We should be helping the nonprofits and the social organizations to become more efficient and more autonomous, and not to be as dependent as they are on state funds, and particularly on indirect taxpayer support. Thank you.”

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

“Mr. President, about two weeks ago boulders rolled down from the hillside in Kalihi. It damaged property in the Kula Kolea Place and it threatened the lives of many of the residents there.

“I have to thank DLNR, Director Aila, and the administration for stepping up to the plate. The last administration refused to help residents in ‘Āina Haina and other areas that had similar situations because of the possibility of liability to the state once they went in. However, in this case, Mr. Aila found monies for projects that were slated on the books to be used in the ‘Āina Haina area. Because this was an immediate threat—people could not sleep at night, did not know if another boulder would roll down—he agreed that he would utilize the monies, about \$150,000, if the Legislature would agree to put the monies into the budget. Mr. President, I approached you and the Ways and Means Chair, and you both agreed; and I believe this whole body agreed that we would, in fact, fund the \$150,000.

“My understanding is that the representative from the district in the House also made similar pleas to his leadership, and was told that the matter would be put into the budget. However, late Saturday night found out that it was not included in the budget, and that we would put it into 304. However, the House made statements like they never got the request.

“To make a long story short, we did agree that it would be put into 304, but in the last waning minutes, I understand from the Ways and Means Chair, that because this body would not agree to the last minute insertions by the House for over \$5 million worth of programs, they decided to delete this project.

“To me, this is petty politics, Mr. President. It is not fair to the residents. It doesn’t hurt me, personally; it hurts the residents. And you know what? The work was done this past weekend. DLNR went out; they brought the helicopters in. They removed the loose boulders and so forth, so the money is spent. So, I’m sorry, but the ‘Āina Haina project and the other projects on the island will suffer because we did not fund this because of petty politics. Thank you, Mr. President.”

Senator Slom rose in rebuttal and said:

“I concur with the remarks of the good Senator from Kalihi, but in addition, I would add that one of the major issues during this session was the administration’s desire and intent to replenish the money that they took last year from both the Hurricane Relief Fund and the Rainy Day Fund. And what we saw was a tug-of-war all during the session by these nonprofit groups, some of them very well-organized with lobbyists, to get that money instead of it going back to where it should have gone for our bond rating and so forth. So, that’s another reason that I oppose this bill. Thank you.”

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

“I’d like to acknowledge the Chair of Human Services for her leadership in trying to make sure that some of the health and human services utilized by the State and provided by nonprofits actually are paid for. We made a decision a number of years ago to not have state employers provide direct health and human service services. It was more cost-effective for the state if the departments and agencies contracted with nonprofits to provide those services, and that’s what we’ve done. But when we came into the depths of the recession, we were not able to continue some important contracts. Not only did we lose valuable services in our community, but we lost the benefit of some of the nonprofits who had to lay off staff, struggled but could not keep themselves viable. So with this bill, we are returning to what we have always said we wanted to do. We want to utilize the private nonprofit sector to assist us in the delivery of health and human services, and not have to employ state employees to deliver direct service, which would be more expensive than using the nonprofit sector. And I just want to applaud the chair of human services for her efforts in this regard.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 153-12 was adopted and H.B. No. 304, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE FINANCES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24; Ayes with Reservations (Kim, Solomon). Noes, 1 (Slom).

Conf. Com. Rep. No. 155-12 (S.B. No. 2778, S.D. 1, H.D. 1, C.D. 1):

Senator Green moved that Conf. Com. Rep. No. 155-12 be adopted and S.B. No. 2778, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“This bill started out as a task force on obesity; it had an appropriation, of which a lot of it had to do with travel. Now, the final version we’re voting on right now, there is a task force and there’s \$1 appropriation taken from the Hawai’i Tobacco Settlement Special Fund. We’ve had debates in previous years about the use or misuse of that tobacco fund, which was supposed to go for education of young people about tobacco. I don’t think there’s a nexus between obesity and tobacco. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 155-12 was adopted and S.B. No. 2778, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EARLY CHILDHOOD HEALTH,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 156-12 (S.B. No. 2424, S.D. 2, H.D. 2, C.D. 1):

Senator Baker moved that Conf. Com. Rep. No. 156-12 be adopted and S.B. No. 2424, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

“I have supported legislation for PEOs for more than a decade. It was a simple matter, a housekeeping matter, to amend the laws and make it fair for all PEOs, large and small, big and small. We haven’t done that in this bill. This bill favors some groups over others, but more importantly also adds a special fund. Thank you.”

At 1:50 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:55 p.m.

Senator Hee requested that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"The Legislature recognizes that professional employer organizations (PEOs) provide a valuable service to commerce and the citizens of Hawaii. PEOs deliver this important service through increasing the opportunities of small business employers to develop cost-effective methods of satisfying their employment-related requirements. Importantly, PEOs provide employees with access to employment benefits which might otherwise not be available to them and helping to ensure greater compliance with employer requirements.

"The intent of this legislation is to create a registration program for PEOs operating in the state and to address employee benefit coverage and reporting requirements for both PEOs and to those small businesses they provide services. The intent of SB 2424 is to retain employer responsibility at the client level and to allocate certain administrative responsibilities to the PEO only during the term of the agreement. This allocation is achieved by recognizing that the PEO is, during the period it is providing services to each individual client, responsible for certain employer responsibilities including unemployment insurance, workers' compensation (and that the exclusive remedies of Chapter 386 shall apply to both the client and the professional employer organization) temporary disability insurance, and prepaid health care coverage.

"It is the intent of S.B. 2424 to only assign to the PEO administrative responsibilities and that all other duties and responsibilities shall remain those of the clients' business activity remain those of the client."

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

The motion was put by the Chair and carried, Conf. Com. Rep. No. 156-12 was adopted and S.B. No. 2424, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL EMPLOYER ORGANIZATIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20; Aye with Reservations (Kim). Noes, 3 (Chun Oakland, Gabbard, Slom). Excused, 2 (Ihara, Kouchi).

At 1:56 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:57 p.m.

Conf. Com. Rep. No. 164-12 (S.B. No. 112, S.D. 1, H.D. 1, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 164-12 be adopted and S.B. No. 112, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

Senator Espero rose to speak support of the measure as follows:

"Mr. President, colleagues, Hawai'i is about to embark in a new era in travel for our state. When you talk about diversifying our economy, this measure is very appealing. We know that tourism will be our golden egg for decades to come, and this measure enhances tourism. We are targeting a niche market, a high-end market, where the visitor is very more than likely to spend more than the average visitor to Hawai'i on a daily basis.

We're talking about space tourism, an industry which is in its infancy; yet, globally, the opportunities will be many. In the near future, this is expected to be at least a \$1 billion industry, and I believe our state is perfectly positioned to benefit from space tourism. We'll certainly be looking at new opportunities and entrepreneurs; and this effort will be driven by the private sector, not by government financing.

"New jobs could include pilots, mechanics, research and development—because with these next generation airplanes or space planes in space, you can see research and development as was done with the space shuttle. And finally, there can be other ground facilities like a space museum, exploration museum, tying in our visit to the stars and the exploration to the early Polynesians and their explorations. So colleagues, thank you for supporting this measure; we've been working on it for many years. Again, this is an effort that will provide positive benefits for our economy. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 164-12 was adopted and S.B. No. 112, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, none. Excused, 4 (Dela Cruz, Hee, Kim, Taniguchi).

Conf. Com. Rep. No. 168-12 (S.B. No. 2220, S.D. 1, H.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 168-12 be adopted and S.B. No. 2220, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kidani.

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

"Again, this bill creates another new special fund."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 168-12 was adopted and S.B. No. 2220, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOILER AND ELEVATOR SAFETY LAW," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 169-12 (S.B. No. 2695, S.D. 2, H.D. 2, C.D. 1):

Senator Nishihara moved that Conf. Com. Rep. No. 169-12 be adopted and S.B. No. 2695, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

"You know, the more that we try to protect agriculture in our state by government action, the more we're losing agriculture. The cost of feed has always been a problem, but what this bill does is present a temporary subsidy or assistance to our few remaining agricultural activities such as dairy and beef and so forth. And while it is a worthy goal, it's not going to sustain these businesses because we pass taxes, regulations, and we still have the Jones Act which all raises the cost for our farmers. So, I think we should be looking more long-term, and looking at the causes rather than the symptoms of agricultural problems. Thank you."

Senator Nishihara requested that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

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

"Colleagues, I rise to speak in support of S.B. No. 2695, C.D. 1. This bill proposes to address a critical component of establishing a viable local livestock industry in Hawai'i. It was made very clear in all the hearings of this bill that without support from government to establish livestock feed in Hawai'i, local livestock producers would continue to pay for the high cost of bringing in feed. This bill sets up a feasibility pilot project to investigate the viability of producing and processing livestock feed here in Hawai'i. I am well aware of past efforts which were not successful. However, the conditions back then are not the same as it is today. The opportunities to make this a success are a result of improvements in agriculture and aquaculture, providing a synergy that is hopeful and practical. I ask for your support to vote in favor of this bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 169-12 was adopted and S.B. No. 2695, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIVESTOCK FEED," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Dela Cruz, Hee).

Conf. Com. Rep. No. 170-12 (H.B. No. 1968, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Baker, seconded by Senator Ige and carried, Conf. Com. Rep. No. 170-12 was adopted and H.B. No. 1968, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Kim, Slom). Excused, 2 (Dela Cruz, Hee).

Conf. Com. Rep. No. 171-12 (H.B. No. 2226, H.D. 2, S.D. 2, C.D. 1):

Senator Espero moved that Conf. Com. Rep. No. 171-12 be adopted and H.B. No. 2226, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ige.

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

"I rise in opposition only because there's a new special fund created. The basis of the bill, I think, is a sound one. I think we can all support the automated victim notification system, but it is the funding that I have a problem with. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 171-12 was adopted and H.B. No. 2226, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUTOMATED VICTIM NOTIFICATION SYSTEM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 173-12 (S.B. No. 2545, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Tokuda, seconded by Senator Kidani and carried, Conf. Com. Rep. No. 173-12 was adopted and S.B. No. 2545, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

Conf. Com. Rep. No. 175-12 (S.B. No. 2344, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Green, seconded by Senator Ige and carried, Conf. Com. Rep. No. 175-12 was adopted and S.B. No. 2344, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII HEALTH AUTHORITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

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

S.B. No. 2927, S.D. 2, H.D. 1, C.D. 2:

By unanimous consent, S.B. No. 2927, S.D. 2, H.D. 1, C.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY PLANNING," was recommitted to the Committee on Conference.

THIRD READING

MATTER DEFERRED FROM TUESDAY, MAY 1, 2012

Stand. Com. Rep. No. 3358 (H.B. No. 2127):

On motion by Senator Ige, seconded by Senator Kidani and carried, Stand. Com. Rep. No. 3358 was adopted and H.B. No. 2127, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII PREPARATORY ACADEMY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

FINAL READING

Conf. Com. Rep. No. 140-12 (H.B. No. 246, H.D. 1, S.D. 2, C.D. 1):

Senator Hee moved that Conf. Com. Rep. No. 140-12 be adopted and H.B. No. 246, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Espero.

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

"Mr. President, this bill appropriates \$1.4 million to the prosecutor's office for programs that this office has been operating without, under a previous prosecutor, for over 12 years. We are appropriating, members, \$1.4 million, at a time when we did not fund many worthy safety net programs. We were not able to fully fund the school buses, and we were not able to add any more monies to the student weighted formula.

"Mr. President, I am also voting 'no' on this measure because I object to the recent plea bargain the prosecutor entered into giving a child molester a six year probation sentence for the rape of a 14-year-old girl and the assault of her brother. For those reasons, I urge my colleagues to vote 'no' on this measure. Thank you."

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

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

"With unquantified respect to the previous speaker, I would like to offer the following comments. The bill before us, 246, will do, among other things, fund three positions that are presently federally funded, for drug court two positions, and one position for the whole probation court. These federal funds will expire this year. These funds will restore deputies to the career criminal unit. As a result of the decline in funding in the past 12 years, the cases that have been handled by the prosecutor's office has decreased significantly. For example in

1997, when the career criminal unit had 12 deputies funded by the state, the prosecutor was able to handle a caseload of 1,041. This year, the case load has dropped to 187 due to the fact that there's an insufficient number of deputies to handle the career criminal unit. I would add parenthetically that for the neighbor islands, the career criminal prosecution deputies are provided through the attorney general's office. That is not the case with the O'ahu prosecutor.

"In the past, there were seven victim/witness counselors that were used for the victim/witness program. Presently, there is but one. The request in the bill before us, H.B. No. 246, allows the funding of four counselors. This is particularly important because the JRI initiative will place any number of people presently incarcerated into the streets, and victim/witness counselors will be important to the success, at least in a small way, to the JRI initiative. So, I urge favorable consideration by the members. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 140-12 was adopted and H.B. No. 246, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS TO THE DEPARTMENT OF THE PROSECUTING ATTORNEY OF THE CITY AND COUNTY OF HONOLULU," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24; Aye with Reservations (Slom). Noes, 1 (Kim).

MISCELLANEOUS BUSINESS

RECONSIDERATION OF ACTIONS TAKEN

S.C.R. No. 40, S.D. 1 (H.D. 1):

The President discharged all conferees on the part of the Senate at the conference to be held for the consideration of amendments proposed by the House to S.C.R. No. 40, S.D. 1.

Senator Fukunaga moved that the Senate reconsider its action taken on April 25, 2012, in disagreeing to the amendments proposed by the House to S.C.R. No. 40, S.D. 1, seconded by Senator Espero and carried.

Senator Fukunaga moved that the Senate agree to the amendments proposed by the House to S.C.R. No. 40, S.D. 1, seconded by Senator Espero.

Senator Fukunaga noted:

"The purpose of this resolution was to reinstate the prompt payment task force which did not complete its work last year. The House had deleted one of the areas relating to procurement. We have subsequently determined that the change is rather minor and technical in nature."

The motion was put by the Chair and carried.

On motion by Senator Fukunaga, seconded by Senator Espero and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 40, S.D. 1, and S.C.R. No. 40, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE RENAMING OF AND THE EXTENSION OF THE PROMPT PAYMENT TASK FORCE TO DEVELOP RECOMMENDATIONS TO ADDRESS ISSUES THAT AFFECT PROCUREMENT FOR GOODS AND SERVICES PURCHASED THROUGH NONPROFIT ORGANIZATIONS, INCLUDING HUMAN SERVICE NONPROFIT ORGANIZATIONS THAT DELIVER PIVOTAL GOODS AND SERVICES TO INDIVIDUALS, FAMILIES, COMMUNITIES, AND OTHER SMALL BUSINESSES," was Finally Adopted.

S.B. No. 2946, S.D. 2 (H.D. 2):

The President discharged all conferees 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. 2946, S.D. 2.

Senator English moved that the Senate reconsider its action taken on April 12, 2012, in disagreeing to the amendments proposed by the House to S.B. No. 2946, S.D. 2, seconded by Senator Espero and carried.

Senator English then moved that the Senate agree to the amendments made by the House to S.B. No. 2946, S.D. 2, seconded by Senator Espero.

Senator English noted:

"This measure is the rental car facility measure, and it allows for the facilities to be built, but more importantly, will provide \$500 million towards the general fund for us. So, the bill is perfected enough that it can actually implement what we were hoping. So, that's why we're moving this forward. Thank you."

The motion was put by the Chair and carried.

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

"The bill extends the \$7.50 per day surcharge until 2016, of which \$4.50 goes directly into the general fund. So, it is a continued tax on rental car users; and I remind my colleagues that more than 30 percent of rental cars go to local residents. 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. 2946, S.D. 2 and S.B. No. 2946, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

WAIVERS OF REFERRAL AND ADOPTION OF RESOLUTIONS

Senator Dela Cruz, Chair of the Committee on Water, Land, and Housing, requested that the joint referral of H.C.R. No. 153 to the Committee on Water, Land, and Housing and the Committee on Transportation and International Affairs be waived pursuant to Senate Rule 46(4):

Senator Dela Cruz noted:

"The purpose of this measure is to convene a Manoa Road Task Force to discuss ownership, maintenance, and repair responsibility of the portion of Manoa Road leading up to the Lyon Arboretum. Due to the previous conference schedule and deadlines, the Committee on Water, Land, and Housing and the Committee on Transportation and International Affairs request a waiver."

The Chair granted the waiver.

On motion by Senator Dela Cruz, seconded by Senator English and carried, H.C.R. No. 153, entitled: "HOUSE CONCURRENT RESOLUTION CONVENING A MANOA ROAD TASK FORCE TO DISCUSS OWNERSHIP, MAINTENANCE, AND REPAIR RESPONSIBILITY OF THE PORTION OF MANOA ROAD LEADING UP TO THE LYON ARBORETUM," was adopted.

Senator Espero, Chair of the Committee on Public Safety, Government, and Military Affairs, requested that the referral of H.C.R. No. 216 to the Committee on Public Safety, Government Operations, and Military Affairs be waived pursuant to Senate Rule 46(4):

Senator Espero noted:

“This measure urges the United States Representatives Armed Services Committee and Subcommittee on Military Personnel to act favorably on H.R. 2148 and to report the bill to the United States House of Representatives for further action. H.R. 2148 deals with allowing disabled veterans to have commissary privileges. Mr. President, I am asking for this waiver because today is sine die and without the waiver we cannot vote, so I am requesting we vote. Thank you.”

The Chair granted the waiver.

On motion by Senator Espero, seconded by Senator Kidani and carried, H.C.R. No. 216, entitled: “HOUSE CONCURRENT RESOLUTION URGING THE UNITED STATES HOUSE OF REPRESENTATIVES ARMED SERVICES COMMITTEE AND SUBCOMMITTEE ON MILITARY PERSONNEL TO ACT FAVORABLY ON H.R. 2148 AND TO REPORT THE BILL TO THE UNITED STATES HOUSE OF REPRESENTATIVES FOR FURTHER ACTION,” was adopted.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 106 to 108) were read by the Clerk and were disposed of as follows:

S.R. No. 106 “SENATE RESOLUTION
RETURNING ALL BILLS, CONCURRENT RESOLUTIONS,
AND RESOLUTIONS TO THE CLERK’S DESK.”

Offered by: Senators Galuteria, Slom.

On motion by Senator Espero, seconded by Senator Slom and carried, S.R. No. 106 was adopted.

S.R. No. 107 “SENATE RESOLUTION
REGARDING COMPLETION OF THE WORK OF THE
TWENTY-SIXTH LEGISLATURE SUBSEQUENT TO THE
ADJOURNMENT THEREOF.”

Offered by: Senators Galuteria, Slom.

On motion by Senator Espero, seconded by Senator Slom and carried, S.R. No. 107 was adopted.

S.R. No. 108 “SENATE RESOLUTION INFORMING
THE HOUSE AND GOVERNOR THAT THE SENATE IS
READY TO ADJOURN SINE DIE.”

Offered by: Senators Galuteria, Slom.

On motion by Senator Espero, seconded by Senator Slom and carried, S.R. No. 108 was adopted.

Senator Dela Cruz rose to make the following remarks:

“Mr. President, I rise to make a correction to the Water, Land, and Housing Committee Record of Votes for S.B. No. 2534. Mr. President, your committee voted on this measure on February 9, 2012, and due to a clerical error, Senator Slom’s ‘no’ vote was inadvertently recorded as an ‘aye’. Senator Slom’s vote was verified by your committee and Senator Slom, and the correction does not affect the outcome of the vote. Therefore, Mr. President, I am requesting the Journal be corrected to reflect Senator Slom’s ‘no’ vote in the Water, Land, and Housing Committee on this measure.”

The Chair having so ordered, the corrected record of votes on S.B. No. 2534 for the Committee on Water, Land, and Housing on February 9, 2012 reads as follows:

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Fukunaga, Tokuda).

Senator Ryan rose to speak on a point of personal privilege as follows:

“First, I ask for the patience of my colleagues; it’s comments that I probably should have made earlier in the order of the day regarding the bill that we recommitted: S.B. 2927, relating to statewide planning. I feel the need to speak on this because my community has been fully engaged and vocally opposed to this measure from the start. As you all know, there has been no lack of discourse or misinformation, for that matter, where this bill is concerned.

“First, I would like to acknowledge the Chair of the Water, Land, and Housing Committee for his efforts and diligence for trying to find innovative solutions to implement smart transit-oriented development and livable community planning proposals. Senator Dela Cruz, his staff, and many other concerned parties have worked extremely hard to address issues as they reared up throughout the legislative process.

“As a freshman of this body, I have learned that good leadership in the Senate entails working with people we don’t necessarily agree with in order to craft the best policies possible for our state. And the Chair of the Water Land Committee I’m sure would agree that I and others have worked closely with him in trying to amend this bill to address each concern. In fact, I would say he went out of his way, especially the overwhelming opposition of the windward O’ahu community members. I truly believe it is important for legislators to work collaboratively to create the best legislation possible, and not to just vote ‘no’ and walk away when there’s continuing disagreement. Though this body has 24 Democrats, we absolutely do not always agree. Thank you.”

Senator Hee rose to speak on a point of personal privilege as follows:

“With regard to S.B. No. 2858, S.D. 1, H.D. 2, C.D. 1: The bill was voted on and passed by the Senate on Tuesday. With your permission, I would like to request that my written comments be submitted into the Senate Journal.” (The Chair so ordered.)

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

“The purpose of this measure is to create a uniform procedure for state or county agencies and boards (jointly referred to as ‘agencies’) to seek judicial review of decisions by the state Office of Information Practices (‘OIP’) regarding Hawaii’s Uniform Information Practices Act (Modified), HRS Chapter 92F (‘UIPA’) or the ‘Sunshine Law,’ Part I of HRS Chapter 92.

“The OIP was created in 1988 to administer the then newly enacted UIPA. In 1998, OIP was given the additional responsibility of administering the Sunshine Law, which had been previously enacted in 1975. As part of its duties, OIP provides a non-judicial alternative to resolving the general public’s disputes with agencies under both laws and is not subject to the contested case procedural requirements of HRS Chapter 91, the Hawaii Administrative Procedures Act.

“While OIP administers and resolves disputes under both the UIPA and Sunshine Law, each law has different provisions for judicial appeals from OIP’s decisions; indeed, the UIPA has no provision allowing an agency to judicially challenge an OIP decision, while the Sunshine Law permits ‘any person’ to appeal to the courts. Notably, at the time of the Sunshine Law’s enactment, OIP did not exist and the ‘any person’ standard was obviously meant to allow an individual to challenge an agency’s actions in alleged violation of the Sunshine Law, and it did not contemplate allowing an agency to challenge OIP’s decisions. OIP has also long maintained that there is no existing right for an agency to appeal under the UIPA, as the lack of such right was an intentional omission designed to prevent agencies from suing agencies, and HRS Sec. 92F-15.5 states that ‘the agency

shall make the record available' when mandated to do so by OIP. In 2009, however, Hawaii's courts allowed an agency to judicially challenge an OIP decision mandating the release of records pursuant to the UIPA, because that determination was based on an underlying Sunshine Law decision and the 'plain' language of the Sunshine Law permitted an agency, as 'any person,' to appeal. County of Kauai v. Office of Information Practices, 120 Haw. 34, 200 P.3d 403 (Haw. App. 2009) (summarily affirmed by the Hawaii Supreme Court on June 23, 2009).

"Given the confusion over appellate rights arising from the 2009 court decisions and the need for clarity before finalizing its appeals rules, OIP asked the legislature to establish a simplified and uniform appeals process for both laws. Some opponents of the bill have argued that the bill relinquishes OIP's current authority to have the last word in UIPA decisions, while other opponents claim that OIP is being granted too much power for an entity that is not a court. Supporters of the measure, which include OIP, the governor, many state agencies, and the League of Women Voters, contend that the bill reasonably balances these competing interests and provides a clear and uniform avenue of judicial review to ensure that OIP's decisions are founded on proper legal bases while also discouraging agencies from simply ignoring decisions with which they disagree. Rather than being embroiled in litigation against other agencies, the bill frees OIP to continue to provide training as well as informal dispute resolution, which constitute the bulk of OIP's work and are important activities that help to ensure open government.

"S.B. No. 2858, S.D. 1, H.D. 2 allows agencies to judicially challenge OIP's decisions, but requires agencies to timely appeal within 30 days and does not require OIP or the person who requested the decision to appear in court as parties to the appeal. While the bill gives agencies the right to judicially challenge OIP's decisions, it also sets a strong standard of review that accords a presumption of validity and require the courts' deference to OIP's factual and legal determinations concerning the administration and interpretation of the UIPA and Sunshine Law, unless such determinations are 'palpably erroneous' and result in a definite and firm conviction that a mistake has been made. See e.g., Right to Know Committee v. City Council, 117 Haw. 1, 175 P.3d 111 (2007); Aio v. Hamada, 66 Haw. 401, 664 P.2d 727 (1983). The bill further clarifies that the de novo standard of review referenced in HRS Sec. 92F-15(b) applies only to judicial appeals brought by the general public, and that agencies' appeals are instead subject to the higher 'palpably erroneous' standard. The record should note that the bill does not affect the standard to be applied by the courts in reviewing OIP decisions with respect to constitutional issues or other matters beyond OIP's sphere of expertise regarding the UIPA and Sunshine Law.

"As is typical of appeals from administrative decisions, this bill limits the record on appeal by an agency to what was presented to OIP when it rendered its decision. This requires an agency to present its best case to OIP and not rely upon having a second chance to present new evidence in a judicial appeal. The circuit court would allow discovery and admission of additional evidence during an appeal from an OIP decision only in extraordinary circumstances.

"If an agency fails to timely appeal within 30 days from an OIP decision mandating disclosure of a record under the UIPA, then it will not be able to challenge the decision if an action to compel disclosure is brought. This provision encourages agencies to take timely action. The provision discourages agencies from simply ignoring an OIP decision and indefinitely refusing to disclose a record that OIP has determined should be disclosed under the UIPA.

"Finally, this bill does not affect the general public's existing right to bring appeals or to recover reasonable attorney fees and costs as prevailing parties in actions brought under either the UIPA or the Sunshine Law."

Senator Tokuda rose to speak a point of personal privilege as follows:

"Colleagues I'd like to talk to you about a bill: H.B. No. 3657, Relating to Education. You won't find it online, and a majority of you have absolutely no reason to remember it because it passed as Act 272 during the 17th Legislative Session. This was the first bill that I was involved in; and like all other firsts in life, you recall it through rose-colored glasses and it becomes the standard by which all that follow are judged. I'm sure if you ask Senate Conferees McCartney, Ikeda, Baker, Fernandes Salling, Hagino, Holt, Iwase, Solomon, and Koki, and House Conferees Ige, Tom, Say, Chumbley, Kawakami, Stegmaier, and Marumoto, they'd tell you that passing the Omnibus Education Act of 1994 took a great deal of courage and vision, that if you wanted the very best for our children, if we truly put them first you had to be bold.

"All I remember was faxing in amendments to Education Chairs Ige and McCartney's office on almost a daily basis from my principal's office, and watching conference proceedings well into the evenings. And then there was that final Friday night, wearing my Georgetown sweatshirt and studying for my AP bio exam, crammed in a conference room in the State Office Tower with a number of very tired and grumpy individuals, when Mike leaned over and said, 'Let's make history.' Some would say, and they are probably correct, that the moment he pulls me forward, breaking all of the protocols, and sat me at that conference table for the final vote, my future was decided and my fate was set. All I knew was that I felt awkward and out of place, and Milton Holt was giving me a mean stink eye as I sat next to him, and Speaker Souki looked appalled as he stood behind the table. Knowing what I know now, I absolutely do not blame them.

"These days, there are still times when I feel awkward and out of place, and I have no doubt that I've gotten my fair share of stink eye from those around me, but I'm sure you're wondering what this flashback has to do with why we are here today. Occasionally, seemingly random and unrelated moments in our life connect up at the most unexpected times and catch us off-guard. This could not be more true for sections of Act 272 of 1994, and the work we have done in this 26th legislative session. In 1994, they called for a constitutional amendment to move to an appointed Board of Education. In 2011, we passed S.B. No. 5, which put in place the statutes, the process by which our Board of Education members would be appointed; and we as the Senate confirmed its inaugural nine members.

"In 1994, they also called for and were successful in getting a constitutional amendment passed that made it clear that the Board of Education is responsible for formulating statewide educational policy. Working with the newly appointed board chair in the department, we embraced the vision and the philosophy set forth in this constitutional amendment with the clear understanding that the Legislature should provide the authority, but in the end, the board should formulate statewide educational policy. Months were spent culling through the 332 sections and 132 pages of statutes within 302a. Largely thanks to the efforts of Alan Awaya in my office, Krislen Chun in SMA, and LeAnn Ebesugawa at the Board of Education, and with the passage of S.B. No. 2540 this year, we have amended, clarified, and repealed 71 of those sections that fall under the purview of the board rather than the Legislature, was redundant as was already mandated by federal law or covered in administrative rules, or were no longer necessary. This alignment, which seeks to create a more effective educational delivery system with decision making authority properly placed,

allowing the department to meet its core mission and the boards embrace their constitutionally-defined role, would not have been possible today were it not for the actions taken back in 1994.

“And as I mentioned earlier, in 1994, through Act 272, Hawai‘i became a part of the then-fledgling charter school movement in the creation of student centered schools. Now, 18 years later, we’ve taken the best of what is known locally and nationally and, through S.B. No. 2115, completely recodified our charter school laws to be exactly what was envisioned in 1994—student centered schools.

“In looking back, I was reminded of the powerful, insightful, and still very relevant words of the then-House Education Chairperson David Ige. In his speech on the 60th day of the 17th legislative session, he stated, ‘When success is assured, changes are unnecessary and the system becomes inert. The organizations and the people in them are encouraged to put their own interests first. Why would any organization do the hard thing that excellence requires—take risks, upset comfortable routines, challenge powerful interests, put children first—when nothing requires it or demands it?’

“While these words were spoken 18 years ago, the question put forward is still an important one and serves as a challenge for all of us here today. He also posed a critical question to his colleagues in asking, ‘Is there a need to do more?’ While much time has passed, and by now I’m sure our WAM Chair has gotten his answer, I can tell you that this 26th Legislature could answer this 18-year-old question with a resounding, ‘Absolutely.’ And we have done more.

“For example, we’ve taken landmark steps in the area of early learning with the passage of S.B. No. 2545, which establishes the Executive Office on Early Learning and puts in place the first phases of our Keiki First Steps Program, putting us on course to meet up with the rest of the country in the area of public support for early childhood.

“We have passed for two years running Senate concurrent resolutions that call upon the Board of Education and the department to adopt and implement statewide parent and community engagement policies that will close the loop when it comes to surrounding our students with supportive adults committed to their success.

“We’ve made a commitment to medical education in our state with the hopes of growing our own professionals where they are needed the most, such as on the neighbor islands and in medically underserved communities, through the passage and signing of S.B. No. 239, which continues support for the John A. Burns School of Medicine through the Tobacco Settlement Special Fund.

“We also focused the physician relicensing fee in S.B. No. 240 on identifying and implementing targeted approaches to increase recruitment and retention of physicians in high need communities, making sure our people can get the care they need wherever they may be.

“And through multiple vehicles including our state budget, under the leadership of both of our WAM chair and vice chair, we made it clear that the money must follow the child. From increasing the weighted student formula \$1 million above and beyond the requested amount, to our per-pupil funding processes, to the passage of S.B. No. 2534, which ensures that revenues generated from school property through the Public Land Development Corporation goes back to our students through the upgrading and building of new 21st century schools. We focused the discussion of resources on how it best helps the child.

“Colleagues, embracing the words and the visions of the former House Education Chairman, I ask you: ‘So, is there a need to do more?’ As I’m sure the answer was then and is now and will always be, the answer is, ‘Yes; absolutely.’ Be proud of what we’ve done over the past two years, and be ready to work hard next year again because there is still much to be done. Thank you.”

Senator Gabbard rose to speak on a point of personal privilege as follows:

“Colleagues, I just wanted to say mahalo to all of you and extend my aloha on behalf of all the senators from the west side. It was in 1966 that the Legislature appropriated \$300,000 in planning money for UH-West O‘ahu—that would be 46 years ago (almost as long as that whole Edison-Kalākāua thing that we were talking about earlier). But anyway, we are having a party on August 18. It’s a public party; I want to invite you all to that. Please mark that down on your calendar, from noon to 5:00 p.m., to celebrate the opening of UH-West O‘ahu which will begin on August 20. Classes will actually begin on August 20. So again, mahalo to you all. Thank you.”

Senator Ryan rose to speak on a point of personal privilege as follows:

“I just want to, again, thank my colleagues for the wonderful job they did with Foodbank. And as you know, Senate President represented us on the media last night. But I just want to restate the totals; Foodbank sales project totals was \$8,909.73. The fish bowl collection brought in \$527.59; for a no effort project, I thought that did pretty well. So, our total statewide contribution on behalf of the Senate was \$9,437.32, benefitting our neighbor island food banks as well. And the winner of the most creative project—there was a tie, Senator Gabbard and Senator Hee. And the most popular menu went to the Senate Clerk’s bake sale, Senator Gabbard’s lasagna, and Senator Kidani’s gandule rice and eggs. And the highest total was raised by Senator Gabbard—\$2,113.60—and the highest fish bowl collection, Senator English with \$152.25. Thank you for your support of the Foodbank on behalf of the Senate.”

Senator Galuteria rose to make the following remarks:

“Firstly, I’d like to thank Senator Ryan for her hard work with the Foodbank. I indeed admit the good Senator from Kahalu‘u warned us the water did become more flavorful as the day progressed. Thank you. Mahalo for that.

“And finally, Mr. President, I simply want to thank you for your leadership and steady hand throughout this second year of the legislative biennium. I’d like to commend everyone in the Senate—committee chairs, vice chairs, and all members for your hard work this session. I also appreciate the diligence of our minority leader, 24 to 1, but love the dust up every Tuesday on the radio. Mahalo for that.

“Colleagues, we can be proud that the overarching themes and priorities of the Senate majority that we advanced in January remained strong throughout the session and, in addition to that, were in alignment with the Governor Abercrombie’s New Day in Hawai‘i. And with that, Mr. President, I’d like to thank members of his team who are up in the gallery for their hard work with the Senate this year. Mahalo nui loa.

“And finally, colleagues, and most importantly—and I know that you’ll agree with me—I want to thank the citizens of Hawai‘i who came to be a part of this process and let their voices be heard. The Senate remains committed to improving the quality of life for the people of Hawai‘i. Thank you, Mr. President.”

At this time, the Chair made the following announcement:

“Members, at this time, we will be taking a short recess to inform the House that the Senate is ready to adjourn sine die.”

At 2:30 p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:31 p.m.

At this time, Senator Espero rose to make the following remarks:

“Before I move that we stand adjourned, I’d like to share with you, my colleagues, a poem I wrote entitled, ‘Discovery’:

Upon the rocking vessel he stands
Gazing towards the luscious land
With shades of black, green and gold
A piece of earth to smell and hold

Beneath the clouds, the island grows
From the peaks the water flows
A feasting land in isolation
Found by a sailor’s imagination

A rugged coast with daunting cliffs
Beyond the shores the current drifts
Beaten beaches smoothed by tides
An open cove where treasures hide

Hidden below the grainy crust
Magma flows, soon to thrust
Fertile richness feeding roots
Jungle canopy bears its fruit

Gazing at the virgin land
Discovery by a restless man
Who sailed beyond the water’s break
With destiny to shape and make

Surrounded by an expansive sky
A place to live, a place to die

ADJOURNMENT

Senator Espero moved that the Senate of the Twenty-Sixth Legislature of the State of Hawai‘i, Regular Session of 2012, adjourn Sine Die, seconded by Senator Slom and carried.

At 2:34 p.m., the President rapped his gavel and declared the Senate of the Twenty-Sixth Legislature of the State of Hawai‘i, Regular Session of 2012, adjourned Sine Die.