

THE
 TWENTY-SEVENTH LEGISLATURE
 STATE OF HAWAII
 REGULAR SESSION OF 2013
 JOURNAL OF THE SENATE

FIRST DAY

Wednesday, January 16, 2013

In accordance with the provisions of Section 10 of Article III of the Constitution of the State of Hawai'i, the Senate of the Twenty-Seventh Legislature of the State of Hawai'i, Regular Session of 2013, was called to order at 10:12 a.m., by the Honorable Gilbert Kahele, Temporary Chair of the Senate.

At this time, the Hawaiian blessing was delivered by Mr. Danny Kaleikini.

The members of the Senate and guests then rose to sing the National Anthem and "Hawai'i Pono'i," led by Gleemen Plus of Honolulu.

Nominations now being in order for a temporary clerk, Senator Galuteria nominated Carol Taniguchi, seconded by Senator Wakai.

Senator Nishihara moved that the nominations be closed, seconded by Senator Thielen and carried.

The Chair declared Carol Taniguchi as Temporary Clerk of the Senate.

Senator Chun Oakland then moved that a committee of three Senators be appointed by the Chair as a Committee on Credentials to examine the certificates of election of the newly elected members of the Senate and to submit a report of its findings to the Senate, seconded by Senator Green and carried.

The Chair thereupon appointed Senators Ihara, Tokuda, and Sлом to serve on such committee.

MESSAGE FROM THE GOVERNOR

The following message from the Governor (Gov. Msg. No. 502) was read by the Clerk and was disposed of as follows:

Gov. Msg. No. 502, letter dated January 10, 2013, appointing Gilbert Samuel Coloma Keith-Agaran to fill the vacancy as the member from the 5th Senatorial District, was referred to the Committee on Credentials.

At 10:22 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:24 a.m.

SPECIAL COMMITTEE REPORT

Senator Galuteria, for the Committee on Credentials, presented a report (Spec. Com. Rep. No. 1) as follows:

"Honorable Gilbert Kahele
 Temporary Chair of the Senate
 Twenty-Seventh Legislature
 Regular Session of 2013
 State of Hawaii

Sir:

Your Committee on Credentials begs leave to report that it has examined the Certificates of Election of the Senate of the Twenty-Seventh Legislature of the State of Hawaii, Regular Session of 2013, and finds that the following persons have been legally elected and are fully qualified to sit as members of the Senate.

The newly elected Senators whose respective terms of office will expire on November 4, 2014, are:

First Senatorial District

Gilbert Kahele

Third Senatorial District

Joshua Green, M.D.

Fourth Senatorial District

Malama Solomon

Sixth Senatorial District

Rosalyn H. Baker

Seventh Senatorial District

Jamie Kalani English

Twelfth Senatorial District

Brickwood Galuteria

Sixteenth Senatorial District

David Y. Ige

Seventeenth Senatorial District

Clarence Nishihara

Eighteenth Senatorial District

Michelle N. Kidani

Twenty-First Senatorial District

Maile Shimabukuro

Twenty-Third Senatorial District

Clayton Hee

Twenty-Fourth Senatorial District

Jill N. Tokuda

The newly elected Senators whose respective terms of office will expire on November 1, 2016, are:

Second Senatorial District

Russell Ruderman

Eighth Senatorial District

Ronald D. Kouchi

Ninth Senatorial District

Samuel Slom

Tenth Senatorial District

Les Ihara, Jr.

Eleventh Senatorial District

Brian T. Taniguchi

Thirteenth Senatorial District

Suzanne Chun Oakland

Fourteenth Senatorial District

Donna Mercado Kim

Fifteenth Senatorial District

Glenn Wakai

Nineteenth Senatorial District

Will Espero

Twentieth Senatorial District

Mike Gabbard

Twenty-Second Senatorial District

Donovan Dela Cruz

Twenty-Fifth Senatorial District

Laura Thielen

Your Committee on Credentials further reports that it has received Governor's Message No. 502 and has examined the credentials of The Honorable Gilbert Samuel Coloma Keith-Agaran and finds that he is fully qualified to fill the vacancy in the Senate, Fifth District, created by the resignation of Shan S. Tsutsui for the Twenty-Seventh Legislature of the State of Hawaii, Regular Session of 2013, whose term of office will expire on November 4, 2014.

Respectfully submitted,

/s/Senator Brickwood Galuteria

/s/Senator Sam Slom

/s/Senator Les Ihara, Jr.

/s/Senator Jill N. Tokuda"

On motion by Senator Ihara, seconded by Senator Gabbard and carried, Special Committee Report No. 1 was adopted.

The Committee on Credentials was thereupon discharged with thanks.

The Chair called upon Chief Justice Mark E. Recktenwald of the Hawai'i State Supreme Court to the rostrum to administer the oath of office to the newly elected members of the Senate.

Chief Justice Recktenwald administered the oath of office to the newly elected members of the Senate who were standing at their respective desks.

The Roll was then called by the Temporary Clerk showing all Senators present.

Nominations for officers of the Senate being next in order, Senator Hee placed in nomination the name of Senator Donna Mercado Kim for President of the Senate, seconded by Senator Kidani.

Senator Shimabukuro moved that the nominations be closed, seconded by Senator English.

The motion to close the nominations was then put by the Chair and carried unanimously, and the Temporary Clerk was directed to cast a unanimous ballot for Senator Donna Mercado Kim as President of the Senate.

The ballot having been so cast, Senator Donna Mercado Kim was declared unanimously elected President of the Senate of the Twenty-Seventh Legislature of the State of Hawai'i, Regular Session of 2013.

The Chair then appointed Senators Kouchi and Ige to escort the President to the rostrum, and the President addressed the members of the Senate and guests as follows:

"Governor Abercrombie, Lieutenant Governor Tsutsui, Senator and Mrs. Schatz, Chief Justice Recktenwald, former Governor Ariyoshi, Governor Waihe'e, Governor Cayetano, and Governor Lingle, esteemed colleagues, distinguished guests, ladies and gentlemen:

"Aloha.

"It is my distinct honor and pleasure to welcome all of you to the Senate's opening of the Twenty-Seventh Legislature.

"It's heartwarming to see so many familiar faces, but this year begins with several newcomers to the Senate: representing Kahului and Wailuku is Gilbert Keith-Agaran...from Ka'u and Puna comes Russell Ruderman...and from windward O'ahu and east Honolulu is Laura Thielen. Please join me in welcoming them to these chambers.

"I would also like to acknowledge the lone voice of the minority, Senator Sam Slom. While he's but one strong, he's been a devoted voice for his party and he is 'still here.'

"I must confess that this is a very humbling experience to stand here before you this morning. I grew up a stone's throw from this building, in Kalihi-Palama, as one of five kids in a poor, working-class family. Like many of you, both my parents worked and struggled to keep food on the table and a roof over our heads. My Dad is here in spirit, but I would like at this time to acknowledge my mom.

"Given those modest beginnings, never could I have imagined that I would someday be standing before you as Senate President. I thank you, colleagues, for this tremendous privilege.

"The Hawai'i of our childhood was a lot different than it is today: We had a smaller population, an economy still largely dependent on agriculture, no freeways, no traffic congestion (like this morning), fewer of the social ills that we now see, and a smaller, and no doubt simpler, government.

"We were blessed with a strong spirit of community. We took care of each other. As kids, we played with marbles, tops, and beanbags in the streets with friends from the neighborhood. We walked to school together, and we were unburdened by the concerns that kids worry about these days. Places like Palama Settlement and my alma mater, Farrington High School, shaped our lives and prepared us to be responsible adults and leaders.

"Then there was that special teacher, aunt, or uncle who mentored and influenced our lives. For me, it was Kumu Hula Aunty Maiki Aiu, who instilled in me the traditional Hawaiian core values of aloha, lōkahi (harmony), kuleana (responsibility), and ha'aha'a (humility). Through hula she taught me discipline, respect, hard work, and grace. These values are the foundation of our kūpuna that has been handed down from generation to generation. Mahalo, Senator Solomon and the Beamer-Solomon Halau, for doing your part in continuing this legacy.

"While we may not have realized it at the time, the incredible changes that came with the Democratic Revolution of 1954, statehood a few years later, and the socio-economic evolution

that followed statehood, were the catalysts that set the groundwork for what we have continued to build upon to this day. But like any structure, no matter how good the foundation, it still requires upkeep and constant care. Years of budget cuts as a result of the economic downturn have weakened our foundation, so reassessments should be a priority.

“Beyond our personal hopes and wishes, I speak of what the Legislature has done to further the progress of our people: in our public education system...in the growth of charter schools...in the University of Hawai‘i...in Consumer Protection, Chair Roz Baker’s work for health insurance coverage for individuals and families...in the laws that give protections to workers, guided by Judiciary and Labor Chair Clayton Hee...in services that help our children and kūpuna and those unable to help themselves, under the watch of Human Services Chair Suzanne Chun Oakland. These, and so many other programs and services that enrich our lives and contribute to the quality of life, can and must be continued.

“After several years of belt-tightening, we’re greeting this session with a rosier economic outlook. The Council on Revenues has projected that tax revenues will increase by five percent this year, indications that the economy continues to improve. Our visitor industry remains strong, and other industries like construction are poised to make a comeback.

“But tourism deserves a special mention. The visitor industry continues to be a driving force for the economy, helping to power our recovery. Last year, tourism brought \$2 billion more to the economy than the year before. More than 166,000 jobs are supported by tourism, and its indirect impact is just as far-reaching. Our island visitor bureaus, our worldwide marketing partners, and the Hawai‘i Tourism Authority, under the leadership of Mike McCartney and board chair Ron Williams, deserve our applause for these accomplishments.

“The Asia-Pacific Economic Cooperation summit demonstrated that Hawai‘i has a global presence. Our host culture can teach, touch, bridge, and inspire those who embrace Hawai‘i and our people. Hawaiian music and dance transcend differences in races, nationality, or language. It was Auntie Maiki’s stories, and her passion to preserve and perpetuate this aspect of Hawaiian culture that inspired me, and that’s why I have long advocated the establishment of a museum or center of Hawaiian music and dance. I am proposing that we consider building it atop the Convention Center. What better place to share the heart and soul of our host culture with residents and visitors alike. Tourism and Hawaiian Affairs Chair Brickwood Galuteria and I challenge the Hawai‘i Tourism Authority and the Office of Hawaiian Affairs to work together to make this center a reality.

“But—and there’s always a ‘but’—with the strong visitor numbers and prospect of more revenues, and what I’d term ‘pent-up demand’ to restore the budget cuts we’ve had to make, it might be tempting and politically popular for us to return to the spending patterns of more prosperous times. We should, however, proceed with caution. After all, the salary cuts for state employees will expire this year. The administration is negotiating new labor agreements with the public employee unions, and this will be a huge cost item in our budget.

“Nationally, the Presidential campaign and Congressional wrangling over the federal budget reflect great divisions in our nation. Here at home, we face monumental changes in politics. The passing of Senator Dan Inouye, who we are still mourning, and the retirement of our beloved Senator Daniel Akaka have triggered a ripple effect that has impacted our state.

“Yes, there are lingering fiscal concerns and potential new ones, among them are possible cutbacks in federal funding, and many are looking to the state to make up the difference. Add to

this the backlog of repair and maintenance needs for schools, parks, public housing, state buildings, and our infrastructure. Initiatives to establish a state-run early education program, a new prison, and more affordable housing, tax credits, as well as proposals for more grants-in-aid and other public support, are among the issues lawmakers will be deliberating.

“Despite all of these demands, and the anticipation of better economic times, I hope, first and foremost, that there will be no new tax burdens thrust upon our citizens...and that we will not automatically open the taxpayers’ pocketbooks to every budget request, every new proposal, and every new capital improvement project.

“I am not saying that we should not consider new initiatives. After all, the Legislature is a forum for new ideas, new ways of doing things to better the quality of our life. But as we weigh their merits, let’s also look at the merits of what we already have. Reevaluating and reassessing what we have in place may not sound sexy or innovative or sell newspapers, but we must discipline ourselves to do this if we are to be more efficient and effective than we have been.

“While we consider early childhood education proposals, it’s imperative that we resolve our problems with the teachers’ contract, school bus services, and the many challenges facing the Department of Education and our charter schools. To help resolve these and other cost items, I call upon the administration to work with us to aggressively eliminate salary overpayments to state workers and abuses in overtime and sick leave. We are talking about the potential of millions of dollars.

“Let’s use these savings and the additional revenues forecast by the Council on Revenues to accelerate fixing our schools, funding kupuna care, reducing the unfunded liability of the state pension system, and repairing our roads and aging infrastructure. You know, the collapse of the Farrington High School’s auditorium roof was a loud warning that we need to quickly assess the structural soundness of our aging facilities. Fortunately, no one was injured, but we may not be so lucky next time.

“Likewise, we mustn’t create or reinstitute public programs without a thorough examination of their long-term impact. If we authorize new positions, what are the long-term financial obligations with regard to rising labor, pension, and health care costs? For every new building, how much will it cost to operate, maintain, and eventually repair or replace? Those costs should be factored into our five-year balanced budget requirement, and we’ll look to Ways and Means Chair David Ige and Vice Chair Michelle Kidani to help us accomplish this.

“The author Richard Schickel wrote, ‘The law of unintended consequences pushes us ceaselessly through the years, permitting no pause for perspective.’ With that thought in mind, we should pause to review the laws we have on the books. Are they working? Are they serving their intended purposes or are they barriers?

“I’d be remiss in not acknowledging the outstanding work of Marion Higa. Marion, we will miss you but we wish you well in your retirement. The Auditor is only able to evaluate a fraction of our innumerable public programs. The ‘Report on the Implementation of State Auditor’s 2008 Recommendations’ was released last February, revealing that less than one-third of the 2008 recommendations have been implemented. We could definitely do better in acting on the Auditor’s recommendations. It seems that closer scrutiny of statutorily mandated projects or offices is done only when a problem is reported by the news media or brought to our attention by constituents.

“Some examples include the HI-5 recycling program, charter schools, the Public Land Development Corporation, airport procurement contracts, and a host of other statutes and

requirements that affect us all. We need to either fix or repeal laws that are not working as they were intended, or which have created burdens that were unforeseen at the time of their establishment. And to achieve this, I urge the Senate to use the post-session interim to initiate these evaluations, since we never have enough time in our hectic 60-day legislative session.

“Higher Education Chair Brian Taniguchi has the task of following up on the issues raised during the Special Committee on Accountability’s hearings on the University of Hawai‘i. What resonated from those hearings is that those appointed as stewards of the public’s trust are responsible for the performance of the organizations they oversee, and, therefore, must be held accountable. Yes, we are indebted to these volunteer public servants for their willingness to serve without compensation, but we also need them to be the public’s watchdogs. Beyond their appearance at their Senate confirmation hearings, they should be called upon to periodically report to this body on what they see as problems, as well as opportunities, facing the organizations they help govern.

“In order to assure food security, farmers need our assistance and, most importantly, our commitment to preserve prime agricultural lands. These are long-standing goals that have been very slow to accomplish. On a recent visit to Israel, I was surprised to learn that Israel produces 95 percent of its food, despite the fact that more than half of its land is desert and the climate and lack of water resources do not favor farming. Plus, their farmers are not subsidized. So if Israel can successfully farm on desert land, then imagine what is possible on our lands. Let’s be serious. We need to be serious while preserving prime farmlands by purchasing them, as we did with the Galbraith Estate. I ask Agriculture Committee Chair Clarence Nishihara to help us pursue this. I also strongly urge the counties to expedite the completion of their identification and mapping of important agricultural lands.

“My experience on the Honolulu City Council and the Hawaii State Association of Counties has made me an advocate for county home rule. There is no doubt that we can do more in streamlining the duplication and overlapping of state and county jurisdictions that are confusing to those we serve. Let’s not forget that we serve the same constituency, and they don’t care whose jurisdiction it is – they just want it done! And, if done correctly, we could realize additional savings and be more efficient. With former councilmembers Governor Abercrombie, Senators Donovan Dela Cruz, J. Kalani English, and Vice President Ron Kouchi, I hope that we can all work together with the counties to resolve these issues.

“Respecting home rule also has the added benefit of making government less O‘ahu-centric. Our new Lieutenant Governor and Maui resident, friend, and colleague Shan Tsutsui made that point in accepting his appointment, and I believe it’s an important cause worth pursuing.

“A step in that direction is the Senate’s launch of a pilot video conferencing project this session. I’m happy to announce that the Education Committee and the Technology and Arts Committee will be utilizing video conferencing in their hearings to enable and encourage the participation of neighbor island residents. Our thanks to Chairs Jill Tokuda and Glenn Wakai for leading the Senate in this endeavor.

“Colleagues, I’m excited about working with all of you – the members of the House of Representatives, Governor Abercrombie and his administration, and our community – in the weeks ahead. Much of what I outlined today did not occur overnight and will take more than one legislative session to accomplish. But we must stay the course.

“In closing, I am reminded of this quote: ‘When we least expect it, life sends us a challenge to test our courage and

willingness to change.’ What better opportunity than now to heed these words.

“Colleagues, we come from different places, different backgrounds. You have your own reasons and your own stories for being here. And while we have differing opinions on the issues of the day, we must be united in our commitment to this institution, to collaboration, to being accountable to the constituents we serve, to building a better Hawai‘i, and, most importantly, to ‘live aloha.’ This is our challenge.

“God bless you all! Mahalo.”

At this time, the Chair called on Senate Minority Leader Sam Slom.

Senator Slom rose to present the following remarks:

“Senate President Donna Mercado Kim, Lieutenant Governor and former Senate President Shan Tsutsui, Governor Abercrombie, U.S. Senator Brian Schatz, former Governors, Mayors, Chief Justice, all the distinguished people here, and, most importantly, the *overburdened taxpayers* of the State of Hawai‘i, *Aloha!* On behalf of the *entire* minority, I bring greetings.

“You know, Senate President Kim, I must tell you that you are only the second Senate President that I kissed (no, not you, Shan), and the first one has now been elevated to Congress. In fact, and I’m sorry that Congresswoman Hanabusa is not here, but she’s probably watching Bill O’Reilly. So, there’s a great future ahead for you, Senate President Kim.

“Thank **God**, this body will once again have daily prayer in its opening sessions, because if ever there was a time that elected officials need supreme guidance and should call on a higher authority, it is now.

“**WE, the People.**’ That’s how the U.S. and Hawai‘i Constitutions begin, and we need to remind ourselves, as elected officials, of the significance of these words. These are serious times demanding our best abilities and swift action. And all of us just stood up and we pledged to defend these constitutions. And by the way, listen – that’s the voice of democracy outside, our right to free speech and our right to demonstrate and our right to address our government.

“It seems many of our residents, perhaps too many, believe we have lost our way and forgotten those limited beginning words as government becomes more dominant in our daily lives. There are negative consequences to this: a divided population, voter apathy, less confidence in us as elected officials, and more social and financial problems. People in Hawai‘i are tired of being pushed around while told everything is fine. They know better.

“Last month, the national emphasis was on the so-called federal ‘fiscal cliff,’ involving excessive government taxation, spending, and debt. Actually, we fell off that cliff months ago. In Hawai‘i, more accurately we face the looming ‘*financial Pali*,’ as government attempts to take away more freedoms and income from its citizens.

“*Forbes Magazine* describes Hawai‘i as one of ten ‘**Death Spiral States.**’ *Forbes* and other watchdog organizations cite over taxation and rising tax burdens, increased state debt, massive unfunded liabilities, and an exodus of private employers, as dangerous for investors.

“Nothing has really been resolved yet on the federal level, and while both sides continue to fight over the debt ceiling, fewer Americans are tuning in because they believe their elected officials are not accountable or transparent, and they don’t know where to turn.

“A nation and a state without accountability and lack of consequences set a dangerous precedent. We need meaningful change and must provide consequences for bad behavior and poor performance in government.

“Last year, we tried to run roughshod over established environmental hearings procedures by granting government special and favorable fast track powers. We tried to fool the public into believing that initiatives such as the Public Land Development Corporation were good for them. PLDC should be repealed, not amended.

“We don’t speak honestly to our constituents about the true costs and impact of major projects our state has embarked upon, including the heavy steel rail on O’ahu, the \$2 billion undersea electric cable, wind turbines covering neighbor island landscapes so that they can power O’ahu, and the costs associated with contract overages, add-ons, missing money and wasted funds. We must respect taxpayers enough to be truthful to them.

“As the President said, during Senate investigations of Hawai‘i’s only taxpayer-supported state university—hearings demanded *not* by government officials but by concerned taxpayers and UH alumni who put their trust in the Senate—we discovered our excellent university is being run by bureaucrats who have not been responsible with taxpayer funds.

“The problems go far beyond the \$200,000 lost in the so-called ‘*Stevie Wonder Concert Blunder*.’ The UH Administration showers high salaries and enviable perks on administrators while lacking oversight of its hordes of public relations personnel, incompetent attorneys, and old boys.

“At our University, there is high cost and low achievement from our administration. What are the consequences so far? *Nothing*. Those involved with the Wonder Blunder and other careless spending still hold power and are paid well. They hope we will forget. We will not. There must be consequences for their actions.

“Our Office of Elections is charged with only one duty every two years: organizing and holding fair, efficient, and affordable elections for every voter. They booted it, not just last year, but for several years. Not to print and distribute enough ballots thereby denying a citizen’s basic right to vote—an easy enough task—is **criminal** and should be punished, but instead, in true Hawai‘i tradition, the same people continue in office. This must be changed. They need to be replaced.

“Our judiciary has undergone a new initiative but problems still exist. Preference still appears, at least from the outside, to favor criminals and not restitution for victims, especially our children.

“Hawai‘i’s State Department of Health has badly mismanaged state recycling and several other programs they are responsible for. It’s not just me that’s saying that; it was the Legislative Auditor, yet we do nothing to stop or curb these practices.

“As I predicted previously, Hawai‘i’s outlays for welfare and social services would exceed annual expenditures for government education. Late last year, that became a fact. Hawai‘i now spends more on welfare and social service programs than we do on educating our children. Yes, there are people who are in need, but we should *not* be supporting those who *choose* not to work or to be financially responsible. Leading the Nation in food stamp distribution, and top of the list with homeless, are *not* badges of honor for our state.

“Our proposed new state budget would increase spending over the next two fiscal years by 8 percent and 11 percent, respectively, though there is not economic growth to support

this increase in government. Many are in denial about the consequences of continued spending growth. The Senate Minority again will develop and put online an alternative approach to the budget. Ineffective programs and personnel must be jettisoned.

“Now, there is a new, expensive, taxpayer-subsidized proposal to put our 4-year-olds in government schools—and the Governor promises he is going to wrestle me on this issue. But the \$30 million Early Education program—which is widely supported by politicians, non-profits that will gain financially, unions, and a well-funded lobbying effort—is not beneficial for our state. The proponents ultimately want the state to pay for care for children beginning in their infancy, not just starting at age 4, which is the initial program this year. I oppose this further intervention by a government that has not been able to provide even an average education with existing programs and billions of dollars of annual subsidies in the government schools. We would only be preparing these children not to ‘succeed,’ but to start earlier in the government bureaucracy.

“And to my friends in the labor unions – come on, guys! Compulsory public unions in Hawai‘i flaunt their power and are out of control. The HGEA seized a ‘most favored nation clause,’ guaranteeing them every possible unearned benefit that is bitterly unfair and burdensome to Hawai‘i taxpayers.

“The United Public Workers refused to take a 5 percent pay cut the same as all other state workers—without any consequence—and now are being rewarded by an arbitration panel with a 6 percent raise. I, for one, will strongly oppose the \$8 million so-called ‘*emergency*’ appropriation to reward the UPW, and call on my colleagues to stand up as well.

“The Hawai‘i State Teachers Association, which previously signed a contract agreeing to drug testing and other requirements during the previous Administration, refused to comply and there were no consequences. Now, the HSTA also wants more money and benefits. For the *keiki*? I think not; it’s about money and power.

“Senate President, you previously called attention to, and presided over, an effective investigation of unwarranted and costly public employee overtime. But the issue has not gone away, and in some cases it, and the spiked income pensions overtime allows, is even more rampant today. Whistleblowers and good, hardworking state and county public employees come to me seeking help to end bad practices. Many times, their supervisors fail them. We need to end these practices and support hardworking employees while weeding out the others.

“Now, our attention in the first days of the 27th Legislature will not be on providing consequences for poor behavior and performance. More likely, we’ll light up the debate on marijuana, roll the dice on gambling, and try to make it easier to die by suicide, if you escape abortion. On a side note, we should all do everything possible to help free our neighbor from the Big Island, **Roger Christie**, from unjust federal imprisonment and loss of civil liberties on the grounds that he is a ‘dangerous criminal’ because of his marijuana position.

“We need to focus on the priority items in our community, especially our economy. Hawai‘i’s economy has *not* turned around. The Visitor Industry single-handedly is propping up our dismal performance. But if we adjust the current record-breaking arrival and expenditure numbers, we are looking at the same visitor levels as occurred in the 1980s.

“Construction, retailing, wholesaling, and manufacturing are all doing poorly, no matter what some pundits would like you to believe. Just talk to our people in these industries to learn the truth. Then, do everything possible to improve our business and economic climate.

“The loss of our very special Senior Senator **Daniel Inouye** has enormous consequences—social, political, and fiscal. He is already missed. His absence, however, does allow for political changes and more independence; his legendary power probably will be fought over. The estimated \$450 million plus that he brought to this economy annually, and his political and fiscal clout, are gone. Hawai‘i had many years to prepare for this impact, but we didn’t. We need to search for other private market economic alternatives to boost our economy, and not for a single politician to fill this void.

“Hawai‘i can attract many new employers who provide jobs and tax revenues if we listen to those in our business community and repair our business climate. Instead, Hawai‘i government continues to be hostile to business. The recent loss of the Tesoro Refinery and regular closure of old-time benchmark businesses are just symptoms of a government that rewards its own incompetence and risky government ‘investments’ of public money, while punishing hardworking private risk takers.

“We need to look objectively at states like Wisconsin, Michigan, and 22 others, to debate ‘Right to Work’ legislation, not to punish compulsory unions, but to incentivize workers, and allow them to choose whether or not to join a union and pay dues in order to work. It is the right thing to do and the right time to do it.

“And by the way, wouldn’t it be wonderful if legislators would always act at the same speed to produce good legislation and defeat bad legislation as fast as the Governor did when appointing a new U.S. Senator, a new Lieutenant Governor, new Senators, and new Representatives? We must act quickly for the people, not just for a political party.

“In Hawai‘i, we have *not* done our best on behalf of our people. We can and must do better. I believe in an even greater Hawai‘i in the future with more choices and opportunities for all of our residents. Our people and culture are our greatest resources. They are counting on us, and we must not fail them.

“So, Madam President, on behalf of the Senate Minority, I pledge our efforts to support your good legislation regardless of who introduces it; to examine and report honestly on the impact of all bills; to work towards ending legislative exemptions for laws we pass on to others; and to end counterproductive practices, such as ‘gut and replace’ bills, which lack transparency.

“We celebrate our individual God-given liberty and our ability to change for the better. Our goal should be not just a ‘New Day,’ but a **better day**. This is not a partisan issue. We can navigate a different course. We can make that happen by a vision of what Hawai‘i can be. For, We, The People.

“**Aloha and Mahalo, God bless Hawai‘i, our armed forces men and women, and the United States of America.** Let’s begin today. Aloha.”

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

At this time, the members of the Senate and their guests were entertained by Brother Noland and Nick La‘a.

The Senate reconvened at 12:04 p.m.

The President then announced that nominations were in order for the office of Vice President of the Senate.

Senator Solomon placed in nomination the name of Senator Ronald D. Kouchi for Vice President of the Senate, seconded by Senator Taniguchi.

Senator Keith-Agaran moved that the nominations be closed, seconded by Senator Ruderman.

The motion was then put by the Chair and carried unanimously, and the Temporary Clerk was directed to cast a unanimous ballot for Senator Ronald D. Kouchi as Vice President of the Senate.

The ballot having been so cast, Senator Ronald D. Kouchi was declared unanimously elected as Vice President of the Senate of the Twenty-Seventh Legislature of the State of Hawai‘i, Regular Session of 2013.

SENATE RESOLUTION

The following resolution (S.R. No. 1) was read by the Temporary Clerk and was disposed of as follows:

S.R. No. 1 “SENATE RESOLUTION ELECTING OFFICERS OF THE TWENTY-SEVENTH LEGISLATURE.”

Offered by: Senators Galuteria, Slom.

On motion by Senator Baker, seconded by Senator Dela Cruz and carried, S.R. No. 1 was adopted.

The President thereupon administered the oath of office to the newly elected officers of the Senate: Clerk Carol T. Taniguchi, Assistant Clerk Jennifer T. Chow, Sergeant at Arms Bienvenido C. Villafior, and Assistant Sergeant at Arms Jayson M. Watts.

At 12:07 p.m., the Senate stood in recess subject to the call of the Chair.

At this time, the members of the Senate and their guests were entertained by MānoaDNA and Leiomalama Tamasese Solomon, daughter of Senator Solomon.

The Senate reconvened at 12:32 p.m.

MESSAGE FROM THE GOVERNOR

The following message from the Governor (Gov. Msg. No. 501) was read by the Clerk and was disposed of as follows:

Gov. Msg. No. 501, submitting for consideration and confirmation to the Circuit Court of the First Circuit, State of Hawai‘i, Gubernatorial Nominee DEAN E. OCHIAI, for a term to expire in ten years, was referred to the Committee on Judiciary and Labor.

JUDICIARY COMMUNICATION

The following communication from the Judiciary (Jud. Com. No. 1) was read by the Clerk and disposed of as follows:

Jud. Com. No. 1, submitting for consideration and confirmation to the District Family Court of the First Circuit, State of Hawaii, Judicial Nominee KEVIN A. SOUZA, for a term of six years, was referred to the Committee on Judiciary and Labor.

At this time, the following Senate leadership assignments were announced by Senate President Donna Mercado Kim:

Majority Leader:
Senator Brickwood Galuteria

Assistant Majority Leader:
Senator Michelle N. Kidani

Majority Floor Leader:
Senator Will Espero

Majority Policy Leader:
Senator Les Ihara, Jr.

Majority Whips:
Senator Gilbert Kahele
Senator Jill N. Tokuda

Minority Leader and Minority Floor Leader:
Senator Sam Slom

The President also announced the following standing committees of the Senate and their respective chairs and members:

AGRICULTURE

Senator Clarence K. Nishihara, Chair
Senator Ronald D. Kouchi, Vice Chair
Senator Donovan M. Dela Cruz
Senator J. Kalani English
Senator Laura H. Thielen
Senator Glenn Wakai
Senator Sam Slom

COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Senator Clarence K. Nishihara
Senator Malama Solomon
Senator Brian T. Taniguchi
Senator Glenn Wakai
Senator Sam Slom

ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING

Senator Donovan M. Dela Cruz, Chair
Senator Sam Slom, Vice Chair
Senator Rosalyn H. Baker
Senator Suzanne Chun Oakland
Senator J. Kalani English
Senator Laura H. Thielen
Senator Glenn Wakai

EDUCATION

Senator Jill N. Tokuda, Chair
Senator Michelle N. Kidani, Vice Chair
Senator Russell E. Ruderman
Senator Maile S.L. Shimabukuro
Senator Sam Slom

ENERGY AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Russell E. Ruderman, Vice Chair
Senator Suzanne Chun Oakland
Senator Les Ihara, Jr.
Senator Sam Slom

HEALTH

Senator Josh Green, Chair
Senator Rosalyn H. Baker, Vice Chair
Senator Suzanne Chun Oakland
Senator Clarence K. Nishihara
Senator Sam Slom

HIGHER EDUCATION

Senator Brian T. Taniguchi, Chair
Senator Gilbert Kahele, Vice Chair
Senator David Y. Ige
Senator Gilbert S.C. Keith-Agaran
Senator Michelle N. Kidani
Senator Jill N. Tokuda
Senator Sam Slom

HUMAN SERVICES

Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Senator Michelle N. Kidani

Senator Brian T. Taniguchi
Senator Sam Slom

JUDICIARY AND LABOR

Senator Clayton Hee, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Senator Mike Gabbard
Senator Les Ihara, Jr.
Senator Sam Slom

PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

Senator Will Espero, Chair
Senator Rosalyn H. Baker, Vice Chair
Senator Brickwood Galuteria
Senator Josh Green
Senator Sam Slom

TECHNOLOGY AND THE ARTS

Senator Glenn Wakai, Chair
Senator Clarence K. Nishihara, Vice Chair
Senator Mike Gabbard
Senator Jill N. Tokuda
Senator Sam Slom

TOURISM AND HAWAIIAN AFFAIRS

Senator Brickwood Galuteria, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Senator Clayton Hee
Senator Gilbert Kahele
Senator Michelle N. Kidani
Senator Maile S.L. Shimabukuro
Senator Malama Solomon
Senator Sam Slom

TRANSPORTATION AND INTERNATIONAL AFFAIRS

Senator J. Kalani English, Chair
Senator Donovan M. Dela Cruz, Vice Chair
Senator Will Espero
Senator Mike Gabbard
Senator Gilbert Kahele
Senator Gilbert S.C. Keith-Agaran
Senator Ronald D. Kouchi
Senator Malama Solomon
Senator Sam Slom

WATER AND LAND

Senator Malama Solomon, Chair
Senator Maile S.L. Shimabukuro, Vice Chair
Senator Donovan M. Dela Cruz
Senator Les Ihara, Jr.
Senator Russell E. Ruderman
Senator Laura H. Thielen
Senator Sam Slom

WAYS AND MEANS

Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair
Senator Suzanne Chun Oakland
Senator Donovan M. Dela Cruz
Senator J. Kalani English
Senator Will Espero
Senator Gilbert Kahele
Senator Gilbert S.C. Keith-Agaran
Senator Ronald D. Kouchi
Senator Russell E. Ruderman
Senator Laura H. Thielen
Senator Jill N. Tokuda
Senator Sam Slom

ADJOURNMENT

At 12:34 p.m., on motion by Senator Espero, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Thursday, January 17, 2013.