

## THIRTY-EIGHTH DAY

Monday, March 25, 2013

The Senate of the Twenty-Seventh Legislature of the State of Hawai'i, Regular Session of 2013, convened at 11:33 a.m. with the President in the Chair.

The Roll was called showing all Senators present with the exception of Senators Keith-Agaran, Kouchi, and Solomon who were excused.

The President announced that she had read and approved the Journal of the Thirty-Seventh Day.

At this time, Senator Taniguchi recognized, congratulated, and honored the 442nd Regimental Combat Team on its 70th anniversary, and expressed heartfelt respect, admiration, and gratitude for the courage, commitment, accomplishments, and sacrifices made in the defense of country and the advancement of liberty and freedom for the benefit of all people. Representing the 442nd Regimental Combat Team were Bill Thompson, Ron Oba, Masayuki Higa, Takashi "Bolo" Shirakata, Satoru Shikasho, former Judge Frank Takao, Terry Aratani (father of Terrence Aratani, chief of staff for Senate President Kim), Robert Kishinami, Don Seki, and Moriso Teraoka. Also recognized were additional members of the 442nd Regimental Combat Team and their family members who were seated in the gallery.

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

The Senate reconvened at 11:46 a.m.

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 246 to 247 and 715 to 751) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 246, dated March 22, 2013, transmitting proposed changes to the FB 2013-15 Biennium Budget for the Department of Budget and Finance, was placed on file.

Gov. Msg. No. 247, dated March 22, 2013, transmitting proposed changes to the FB 2013-15 Biennium Budget for the Department of Accounting and General Services, was placed on file.

Gov. Msg. No. 715, submitting for consideration and confirmation to the King Kamehameha Celebration Commission, the nomination of ELMER KAAI, term to expire June 30, 2017, was referred to the Committee on Economic Development, Government Operations and Housing.

Gov. Msg. No. 716, submitting for consideration and confirmation to the Board of Directors of the Hawai'i Housing Finance and Development Corporation, the nomination of RALPH MESICK, term to expire June 30, 2016, was referred to the Committee on Economic Development, Government Operations and Housing.

Gov. Msg. No. 717, submitting for consideration and confirmation to the Board of Directors of the Hawai'i Housing Finance and Development Corporation, the nomination of BETTY LOU LARSON, term to expire June 30, 2017, was referred to the Committee on Economic Development, Government Operations and Housing.

Gov. Msg. No. 718, submitting for consideration and confirmation to the Board of Directors of the Hawai'i Strategic Development Corporation, the nomination of H. BRIAN MOORE, term to expire June 30, 2015, was referred to the

Committee on Economic Development, Government Operations and Housing.

Gov. Msg. No. 719, submitting for consideration and confirmation to the Board of Directors of the Natural Energy Laboratory of Hawai'i Authority, the nomination of JOHN DELONG, term to expire June 30, 2015, was referred to the Committee on Energy and Environment.

Gov. Msg. No. 720, submitting for consideration and confirmation to the Hawai'i Sister State Committee, the nomination of JUSTIN MICHAEL IKAIKA ANDERSON, term to expire June 30, 2014, was referred to the Committee on Transportation and International Affairs.

Gov. Msg. No. 721, submitting for consideration and confirmation to the Motor Vehicle Industry Licensing Board, the nomination of DENNIS SHORT, term to expire June 30, 2017, was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 722, submitting for consideration and confirmation to the Pest Control Board, the nomination of ALVIN FUKUYAMA, term to expire June 30, 2017, was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 723, submitting for consideration and confirmation to the Board of Pharmacy, the nomination of GARRETT LAU, term to expire June 30, 2017, was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 724, submitting for consideration and confirmation to the Motor Vehicle Industry Licensing Board, the nomination of WERNER UMBHAU, term to expire June 30, 2017, was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 725, submitting for consideration and confirmation to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects, the nomination of CRAIG MURAYAMA, term to expire June 30, 2016, was referred to the Committee on Commerce and Consumer Protection.

Gov. Msg. No. 726, submitting for consideration and confirmation to the Board of Trustees of the Deferred Compensation Plan, the nomination of KENNETH VILLABRILLE, term to expire June 30, 2017, was referred to the Committee on Judiciary and Labor.

Gov. Msg. No. 727, submitting for consideration and confirmation to the Board of Trustees of the Deferred Compensation Plan, the nomination of BRIAN MOTO, term to expire June 30, 2017, was referred to the Committee on Judiciary and Labor.

Gov. Msg. No. 728, submitting for consideration and confirmation to the Commission on the Status of Women, the nomination of MARILYN LEE, term to expire June 30, 2017, was referred to the Committee on Judiciary and Labor.

Gov. Msg. No. 729, submitting for consideration and confirmation to the Island Burial Council, Island of O'ahu, the nomination of HINALEIMOANA WONG-KALU, term to expire June 30, 2016, was referred to the Committee on Tourism and Hawaiian Affairs.

Gov. Msg. No. 730, submitting for consideration and confirmation to the Island Burial Council, Island of Hawai'i, the nomination of ISAAC HARP, term to expire June 30, 2016, was referred to the Committee on Tourism and Hawaiian Affairs.

Gov. Msg. No. 731, submitting for consideration and confirmation to the Natural Area Reserves System Commission, the nomination of NATHAN YUEN, term to expire June 30, 2017, was referred to the Committee on Water and Land.

Gov. Msg. No. 732, submitting for consideration and confirmation to the Civil Defense Advisory Council, the nomination of SHELDON LEHMAN, term to expire June 30, 2017, was referred to the Committee on Public Safety, Intergovernmental and Military Affairs.

Gov. Msg. No. 733, submitting for consideration and confirmation to the State Council on Developmental Disabilities, the nomination of MAXINE NAGAMINE, term to expire June 30, 2014, was referred to the Committee on Health.

Gov. Msg. No. 734, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of WILLIAM BAILEY, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 735, submitting for consideration and confirmation to the Mental Health and Substance Abuse, Hawai'i Service Area Board, the nomination of SULMA GANDHI, term to expire June 30, 2016, was referred to the Committee on Health.

Gov. Msg. No. 736, submitting for consideration and confirmation to the Mental Health and Substance Abuse, Kaua'i Service Area Board, the nomination of KURT NAGATA, term to expire June 30, 2016, was referred to the Committee on Health.

Gov. Msg. No. 737, submitting for consideration and confirmation to the Tobacco Prevention and Control Advisory Board, the nomination of ANTHEA WANG, term to expire June 30, 2014, was referred to the Committee on Health.

Gov. Msg. No. 738, submitting for consideration and confirmation to the State Council on Developmental Disabilities, the nomination of JENNIFER PATRICIO, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 739, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of CHRISTOPHER SIBLEY, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 740, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of JAMES WALSH, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 741, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of JONAGUSTINE LIM, term to expire June 30, 2016, was referred to the Committee on Health.

Gov. Msg. No. 742, submitting for consideration and confirmation to the Mental Health and Substance Abuse, O'ahu Service Area Board, the nomination of CYNTHIA DANG, term to expire June 30, 2016, was referred to the Committee on Health.

Gov. Msg. No. 743, submitting for consideration and confirmation to the Health Planning Council, Tri-Isle Subarea, the nomination of MARTHA TURNER, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 744, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of REBECCA WARD, term to expire June 30, 2017, was referred to the Committee on Health.

Gov. Msg. No. 745, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nomination of JOY MIYASAKI, term to expire June 30, 2017, was referred to the Committee on Human Services.

Gov. Msg. No. 746, submitting for consideration and confirmation to the Education Commission of the States, the nomination of JOAN HUSTED, term to expire June 30, 2017, was referred to the Committee on Education.

Gov. Msg. No. 747, submitting for consideration and confirmation to the Early Learning Advisory Board, the nomination of LYNN CABATO, term to expire June 30, 2015, was referred to the Committee on Education.

Gov. Msg. No. 748, submitting for consideration and confirmation to the Early Learning Advisory Board, the nomination of MAUREEN RAWLINS, term to expire June 30, 2014, was referred to the Committee on Education.

Gov. Msg. No. 749, submitting for consideration and confirmation to the Early Learning Advisory Board, the nomination of KERRIE UROSEVICH, term to expire June 30, 2014, was referred to the Committee on Education.

Gov. Msg. No. 750, submitting for consideration and confirmation to the Early Learning Advisory Board, the nomination of BENJAMIN NAKI III, term to expire June 30, 2015, was referred to the Committee on Education.

Gov. Msg. No. 751, submitting for consideration and confirmation to the Hawai'i Teacher Standards Board, the nomination of VOLETTA NOE NOE TOM, term to expire June 30, 2016, was referred to the Committee on Education.

#### STANDING COMMITTEE REPORTS

Senator Ige, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 1049) recommending that H.B. No. 430, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 430, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Hee, for the Committee on Judiciary and Labor, presented a report (Stand. Com. Rep. No. 1050) recommending that H.B. No. 31, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 31, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DISORDERLY CONDUCT," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 1051) recommending that H.B. No. 815, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 815, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC COOPERATIVES," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Baker, for the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep.

No. 1052) recommending that H.B. No. 999, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 999, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Baker, for the majority of the Committee on Commerce and Consumer Protection, presented a report (Stand. Com. Rep. No. 1053) recommending that H.B. No. 848, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the majority of the Committee was adopted and H.B. No. 848, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Ige, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 1054) recommending that H.B. No. 425, H.D. 1 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 425, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OFFERS IN COMPROMISE," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

Senator Ige, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 1055) recommending that H.B. No. 915 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Espero, seconded by Senator Slom and carried, the report of the Committee was adopted and H.B. No. 915, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, March 27, 2013.

**ORDER OF THE DAY**

**ADVISE AND CONSENT**

Stand. Com. Rep. No. 1047 (Gov. Msg. No. 667):

Senator Ige moved that Stand. Com. Rep. No. 1047 be received and placed on file, seconded by Senator Kidani and carried.

Senator Ige then moved that the Senate advise and consent to the nomination of CURTIS SAIKI to the Board of Taxation Review, 1st Taxation District, term to expire June 30, 2017, seconded by Senator Kidani.

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

Ayes, 22. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Solomon).

Stand. Com. Rep. No. 1048 (Gov. Msg. No. 702):

Senator Ige moved that Stand. Com. Rep. No. 1048 be received and placed on file, seconded by Senator Kidani and carried.

Senator Ige then moved that the Senate advise and consent to the nomination of JOSE DIOGO to the Board of Taxation

Review, 4th Taxation District (Kaua'i), term to expire June 30, 2017, seconded by Senator Kidani.

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

Ayes, 22. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Solomon).

**THIRD READING**

H.B. No. 776, H.D. 2, S.D. 1:

On motion by Senator Hee, seconded by Senator Shimabukuro and carried, H.B. No. 776, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT TORT LIABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Solomon).

At this time, Senator Ruderman rose to wish Senator Thielen a happy birthday.

**RE-REFERRAL OF A HOUSE BILL**

The Chair re-referred the following House bill that was received:

H.B. No.:	Re-referred to:
H.B. No. 1268, H.D. 1	Jointly to the Committee on Water and Land, the Committee on Tourism and Hawaiian Affairs, and the Committee on Judiciary and Labor

**RE-REFERRAL OF SENATE CONCURRENT RESOLUTIONS**

The Chair re-referred the following Senate concurrent resolutions that were offered:

S.C.R. No.:	Re-referred to:
S.C.R. No. 78	Committee on Higher Education, then to the Committee on Ways and Means
S.C.R. No. 131	Jointly to the Committee on Water and Land and the Committee on Judiciary and Labor
S.C.R. No. 164	Jointly to the Committee on Water and Land and the Committee on Judiciary and Labor

**RE-REFERRAL OF SENATE RESOLUTIONS**

The Chair re-referred the following Senate resolutions that were offered:

S.R. No.:	Re-referred to:
S.R. No. 45	Committee on Higher Education, then to the Committee on Ways and Means
S.R. No. 93	Jointly to the Committee on Water and Land and the Committee on Judiciary and Labor
S.R. No. 121	Jointly to the Committee on Water and Land and the Committee on Judiciary and Labor

**ADJOURNMENT**

At 11:48 a.m., on motion by Senator Espero, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Wednesday, March 27, 2013.