

TWENTY-FIRST DAY

Tuesday, February 24, 2015

The Senate of the Twenty-Eighth Legislature of the State of Hawai'i, Regular Session of 2015, convened at 11:34 a.m. with the President in the Chair.

The Roll was called showing all Senators present.

The President announced that she had read and approved the Journal of the Twentieth Day.

Senator Baker introduced the following representatives from the National Conference of State Legislatures in Colorado: William Pound, executive director; Corina Eckl, director of state services and liaison to Hawai'i; and Irene Kawanabe, program director and liaison to the National Asian Pacific American Caucus of State Legislators.

Senator Keith-Agaran recognized former State Senator Joe Tanaka, and noted that his wife, Barbara Tanaka, was one of his favorite high school teachers.

Senator Inouye introduced her cousin, Lori Dellaverson, who was visiting from Virginia with her husband, Louis, and their daughter, Kalia; and noted that she had recently discovered through online research that they were related. Senator Inouye also recognized her session staff Matt Kennedy who was present in the gallery.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 209, 1101 and 1102) were read by the Clerk and were placed on file:

Gov. Msg. No. 209, letter dated February 19, 2015, transmitting additional proposed changes to the General Appropriations Act (House Bill No. 500) to include the Department of Transportation's additional operating and CIP requests.

Gov. Msg. No. 1101, informing the Senate that on February 20, 2015, the Lieutenant Governor, in his capacity as Acting Governor, signed into law House Bill No. 1465 as Act 1, entitled: "MAKING APPROPRIATIONS TO PROVIDE FOR THE EXPENSES OF THE LEGISLATURE, THE AUDITOR, THE LEGISLATIVE REFERENCE BUREAU, THE OMBUDSMAN, AND THE ETHICS COMMISSION."

Gov. Msg. No. 1102, informing the Senate that on February 20, 2015, the Lieutenant Governor, in his capacity as Acting Governor, signed into law House Bill No. 930 as Act 2, entitled: "MAKING AN EMERGENCY APPROPRIATION FOR THE OFFICE OF THE GOVERNOR."

SENATE CONCURRENT RESOLUTIONS

The following concurrent resolutions (S.C.R. Nos. 35 to 37) were read by the Clerk and were deferred:

S.C.R. No. 35 "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION AND THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION TO CONDUCT A JOINT STUDY ADDRESSING THE DEMAND FOR WORKFORCE HOUSING AND TRANSIT-ORIENTED DEVELOPMENT; AND TO CREATE A DEVELOPMENT PLAN FOR WORKFORCE HOUSING EXPANSION."

Offered by: Senators Dela Cruz, Chun Oakland, English, Espero, Gabbard, Galuteria, Harimoto, Inouye, Keith-Agaran, Kidani,

Nishihara, Wakai, Baker, Ihara, Kahele, Kouchi, Riviere, Ruderman, Shimabukuro.

S.C.R. No. 36 "SENATE CONCURRENT RESOLUTION REQUESTING THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION TO ESTABLISH A WORKING GROUP TO EXAMINE THE ESTABLISHMENT OF A FIRST RESPONDERS TECHNOLOGY CAMPUS AND COMMAND CENTER IN CENTRAL OAHU."

Offered by: Senators Dela Cruz, Chun Oakland, Inouye, Nishihara, Baker, English, Galuteria, Harimoto, Kahele, Keith-Agaran, Kidani, Kouchi, Riviere, Ruderman, Shimabukuro, Wakai.

S.C.R. No. 37 "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO TAKE CERTAIN ACTIONS TO IMPROVE JOB CREATION AND BUSINESS CLIMATE."

Offered by: Senators Dela Cruz, Chun Oakland, Galuteria, Inouye, Kidani, Wakai, Ihara, Kahele, Keith-Agaran, Kouchi, Nishihara, Riviere, Ruderman, Shimabukuro.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 11 to 13) were read by the Clerk and were deferred:

S.R. No. 11 "SENATE RESOLUTION REQUESTING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION AND THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION TO CONDUCT A JOINT STUDY ADDRESSING THE DEMAND FOR WORKFORCE HOUSING AND TRANSIT-ORIENTED DEVELOPMENT; AND TO CREATE A DEVELOPMENT PLAN FOR WORKFORCE HOUSING EXPANSION."

Offered by: Senators Dela Cruz, Chun Oakland, English, Espero, Gabbard, Galuteria, Harimoto, Inouye, Keith-Agaran, Kidani, Nishihara, Wakai, Baker, Ihara, Kahele, Kouchi, Riviere, Ruderman, Shimabukuro.

S.R. No. 12 "SENATE RESOLUTION REQUESTING THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION TO ESTABLISH A WORKING GROUP TO EXAMINE THE ESTABLISHMENT OF A FIRST RESPONDERS TECHNOLOGY CAMPUS AND COMMAND CENTER IN CENTRAL OAHU."

Offered by: Senators Dela Cruz, Chun Oakland, Inouye, Kidani, Nishihara, Baker, English, Galuteria, Harimoto, Kahele, Keith-Agaran, Kouchi, Riviere, Ruderman, Shimabukuro, Wakai.

S.R. No. 13 "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO TAKE CERTAIN ACTIONS TO IMPROVE JOB CREATION AND BUSINESS CLIMATE."

Offered by: Senators Dela Cruz, Chun Oakland, Galuteria, Inouye, Wakai, Ihara, Kahele,

Keith-Agaran, Kouchi, Nishihara,
Riviere, Ruderman, Shimabukuro.

STANDING COMMITTEE REPORTS

Senator Espero, for the Committee on Public Safety, Intergovernmental and Military Affairs, presented a report (Stand. Com. Rep. No. 527) recommending that S.B. No. 564, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Green, seconded by Senator Slom and carried, the report of the Committee was adopted and S.B. No. 564, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Second Reading and was placed on the calendar for Third Reading on Thursday, March 5, 2015.

Senator Tokuda, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 528) recommending that the Senate advise and consent to the nomination of WESLEY MACHIDA as Director of the Department of Budget and Finance, in accordance with Gov. Msg. No. 519.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 528 and Gov. Msg. No. 519 was deferred until Wednesday, February 25, 2015.

Senator Tokuda, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 529) recommending that the Senate advise and consent to the nomination of RODERICK BECKER as Deputy Director of the Department of Budget and Finance, in accordance with Gov. Msg. No. 520.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 529 and Gov. Msg. No. 520 was deferred until Wednesday, February 25, 2015.

Senator Tokuda, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 530) recommending that the Senate advise and consent to the nomination of MARIA ZIELINSKI as Director of the Department of Taxation, in accordance with Gov. Msg. No. 521.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 530 and Gov. Msg. No. 521 was deferred until Wednesday, February 25, 2015.

ORDER OF THE DAY

ADVISE AND CONSENT

Stand. Com. Rep. No. 526 (Gov. Msg. No. 524):

Senator Baker moved that Stand. Com. Rep. No. 526 be received and placed on file, seconded by Senator Taniguchi and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of RANDALL IWASE as Chairperson of the Public Utilities Commission, term to expire June 30, 2020, seconded by Senator Taniguchi.

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

"Thank you, Madam President. I rise in strong support of Governor's Message 524 nominating Randall Iwase to serve as chair of the Public Utilities Commission.

"Mr. Iwase, as many of us know, has a strong and distinguished career in public service and began his testimony to your Committee on Commerce and Consumer Protection by expressing his gratitude to Governor Ige for giving 'this senior citizen' the 'final opportunity to serve the people of our state.'

"Randy chose to accept this opportunity for further public service because he believes it's our duty to give our children

and grandchildren the means to build a better future. The decisions that the PUC makes will undoubtedly shape Hawaii's energy future, and that will definitely impact the future landscape of all of Hawai'i. Your committee believes that Mr. Iwase has the experience and vision to lead the Public Utilities Commission toward a Hawai'i we can proudly pass on to future generations.

"Randy's government service began as a deputy attorney general; he served as a member of the Honolulu City Council, executive director of Aloha Tower Development Corporation, a State Senator representing Mililani – and I did have the opportunity to serve with him during some of his days in the Senate. He chaired the Hawai'i Labor and Industrial Relations Appeals Board, and most recently, served as chair of the Tax Review Commission. Much of the testimony the committee received came from people who had actually worked with him over his long career. All noted Mr. Iwase has the capacity to grasp, assess, and manage complex issues and organizational challenges. All expressed confidence that Randy is more than capable of meeting the challenges of being the next PUC chair.

"One of Mr. Iwase's colleagues noted: 'It is his social conscience indelibly imprinted by the words and lives of President John F. Kennedy and Robert F. Kennedy that weigh upon his actions every day. Randy believes in Hawai'i. He believes in doing the best for Hawai'i's people. He believes in doing the right thing, for the right reasons, in the right way.' Sounds like another colleague of ours.

"Another colleague said of Mr. Iwase: 'He always gave straight, direct answers on the issues of common concern, and he delivered on his word. And that has never changed. Randy Iwase is the consummate public servant. He has one of the broadest, best, most comprehensive understandings of how government and Hawai'i social and political life work.'

"After hearing these glowing responses to the question of why people support Mr. Iwase for chair, your committee concluded that Randall Iwase is exceedingly well-qualified to lead the Public Utilities Commission toward continuing to build an energy future for Hawai'i that is consumer-conscious and renewable. He has integrity and a collaborative and diligent work ethic. His nature, his personality, is even-keeled, and he has a sense of duty that will serve him well, we believe, as PUC chair.

"Colleagues, I ask you to join me in voting to advise and consent to the nomination of Randall Iwase to be the next chair of the Public Utilities Commission. Mahalo."

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

"First, let me say, I've checked very carefully my DNA, and I'm not related to Randy. Oftentimes, we are mistaken in a crowd, but I'm the one with hair and no cap.

"I've had the pleasure and privilege of knowing Randy Iwase for nearly 20 years. I've served with him in this Senate body, and watched him on the council, with the Tax Review Commission, the attorney general's office, the labor relations board, and a number of activities. Whenever there was a problem, whenever there was a need to do something, Randy Iwase was the man who was called upon to do it.

"The Public Utilities Commission has suffered for the last several years for an abysmal lack of leadership and non-direction. And Randy Iwase, again, is the right person to make those changes. He's no-nonsense, yet he has a sense of humor. He has to have a sense of humor because he prefers the Beatles over Elvis Presley; that's been a continuous contention point for us for many years.

"But he is a man of integrity; he's a man who can transcend partisan issues to get the job done. He's the right man right now, and I'm very proud to support him. Thank you."

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

"I have known Randy Iwase for many, many years, since he started his service to the public in 1974 – his illustrious, almost-40-year career. As my senator, as my councilmember, I've had the opportunity to work with him many times, but I can think of no one who is further qualified than Mr. Iwase to lead the PUC through what will be some contentious times with the sale of Hawaiian Electric Industries being put forward to us today.

"I would like to let people know that Randy was actually the leader in putting forth what we now know as the Central Oahu Regional Park, a legacy that many people will not know – Randy has left us that. When he was there at the city council, he had the vision to put money aside for the planning and purchase of this park.

"And although we are related through my daughter-in-law, the Awaya family, it's not a conflict of interest because his public service precedes him. So Madam President, thank you very much, and thank you, Randy, for being willing to serve us."

The Chair then stated:

"Members, I feel compelled to add to the discussion, having been elected with Randy Iwase in the special election on the Honolulu City Council and served with him for many years together. Also, I can attest that if you will throw out any song to him, he will tell you who the singer, the composer, and what year it was done in, and with that kind of knowledge, certainly, he will sing his way through the PUC."

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

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

Senator Baker then introduced newly confirmed Chairperson of the Public Utilities Commission Randy Iwase, who was accompanied in the gallery by his son Jarand, former State Senator Joe Tanaka, PUC Commissioners Lorraine Akiba and Michael Champley, Governor David Y. Ige's Chief of Staff Mike McCartney, and PUC staff members.

At 11:48 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:54 a.m.

RE-REFERRAL OF A SENATE BILL

The Chair re-referred the following Senate bill that was introduced:

S.B. No.:	Re-referred to:
S.B. No. 273, S.D. 1	Committee on Human Services and Housing, then to the Committee on Judiciary and Labor

ADJOURNMENT

At 11:54 a.m., on motion by Senator Green, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Wednesday, February 25, 2015.