

THIRTY-EIGHTH DAY

Tuesday, March 31, 2015

The Senate of the Twenty-Eighth Legislature of the State of Hawai'i, Regular Session of 2015, convened at 11:33 a.m. with the President in the Chair.

The Roll was called showing all Senators present with the exception of Senator Espero who was excused.

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

Senator Thielen welcomed the Waimānalo Seniors, who were present in the gallery with Uncle Joe Tassill; and extended an additional recognition to the members of the Boys & Girls Club Windward Clubhouse including Clubhouse Director Maureen Purington and Program Director Tiare Kakaouha.

Senator Kahele introduced members of the Boys & Girls Club of the Big Island including Zavi Brees-Saunders, chief professional officer; Elisha Stutes, Youth of the Year event speaker; Tyler Nahinu, Youth of the Year finalist; and Kim Cortez, mother of Benjamin Cortez, Jr., Boys & Girls of the Big Island Youth of the Year.

Senator Ihara welcomed eleventh grade students from Kaimuki High School who were visiting the Capitol as part of their "Modern History of Hawai'i" graduation course. The students were accompanied in the gallery by Vice Principal Robyn Tom, Librarian Lori Chun, and other teachers, counselors, and ELL consultants.

Senator Shimabukuro introduced members from the Boys & Girls Club Nānākuli Clubhouse including Clubhouse Director Claudia "Lala" Fernandez and her staff, as well as members from the Wai'anae Clubhouse including Clubhouse Director Lana Keamo and her staff.

Senator Baker, on behalf of Senator English and Senator Keith-Agaran, recognized students and staff from the Boys & Girls Clubs of Maui who were accompanied in the gallery by Chief Executive Officer Kelly Pearson.

Senator Wakai commended the Boys & Girls Clubs across Hawai'i, and presented the following remarks:

"Thank you, Madam President. It is always such a pleasure to be surrounded by youthful energy, and we can feel it today. Today, we are honored to have on the floor with us five talented young Boys & Girls Clubs of Hawai'i finalists in this year's Youth of the Year award. The Boys & Girls Clubs of Hawai'i have been a valuable community partner to enrich the lives of our state's keiki, servicing more than 20,000 children in 19 areas of our state. The Boys & Girls Clubs take disadvantaged youth and help them to discover their full potential to grow as productive, responsible, and caring citizens. The holistic approach to children enrichment keys in on areas of character, leadership, development, education, and career advancement as well as life skills. They also promote a healthy love for the arts and fitness programs.

"On the floor, we have finalist Anne-Tonie Case of Radford High School. Anne-Tonie is a proud member of the Keystone Club, which focuses on numerous community service projects such as beach cleanups and the Foodbank of Hawai'i donation drive. Anne-Tonie is also a member of the 4-H garden club, photography club, and fitness club. Thank you, Anne, for your contributions.

"Next to her, from Kihei Charter High School and University of Hawai'i Maui College, I'd like to introduce finalist Sedona Estomo. Sedona's a highly motivated and intelligent young lady

who maintains a 4.3 GPA. A member of the Boys & Girls Club since 2005, she loves the art focus that the club offers its students. Sedona's also instrumental in creating the 'no texting while driving' PSA video for the local cable networks and murals on the island of Maui.

"Our third finalist today is Ben Cortez of Hilo High School. Ben has been a member of the Boys & Girls Club of the Big Island since the age of seven. He is one of the most active members of the club and enjoys gardening and playing sports. Outside of club life, Ben was a Pop Warner football player and now serves as a junior coach.

"Next to Ben is Micah Dunn. Micah is this year's fourth finalist and is a student at Radford High School. Micah serves others as an inspirational mentor and supporter for three years as manager for both the JV and varsity basketball teams. Micah's been involved with the AMR Youth Center, Boys & Girls Club, Torch, and Keystone Club. Micah aspires to attend college and become a professional basketball player.

"And our fifth exemplary finalist is Luke Rita. Luke hails from beautiful Kapa'a, Kaua'i. Throughout life, Luke has faced numerous challenges, such as being born with cerebral palsy and partially deaf. Through the support of the Boys & Girls Club and his family and friends, Luke has blossomed into a respected leader who speaks at numerous events across the island about overcoming personal challenges through the support of the Boys & Girls Club.

"Congratulations to all of our finalists this morning, and they are joined on the floor by one of the Boys & Girls Club's most well-respected leaders, Ms. Frances Rivera. And we heard from some of our neighbor island colleagues, but there's a full gallery of Boys & Girls Clubs supporters, so if you're here for the Boys & Girls Clubs, could you please rise to be recognized by all of us senators? Thank you for all that you do for our keiki."

At 11:42 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:48 a.m.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 546 to 553) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 546, submitting for consideration and confirmation to the Board of Regents of the University of Hawai'i, the nomination of MICHAEL T. MCENERNEY, term to expire June 30, 2020, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 547, submitting for consideration and confirmation to the Board of Regents of the University of Hawai'i, the nomination of DAVID IHA, term to expire June 30, 2017, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 548, submitting for consideration and confirmation to the Board of Regents of the University of Hawai'i, the nomination of ERNEST WILSON, JR., term to expire June 30, 2019, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 549, submitting for consideration and confirmation to the Board of Regents of the University of Hawai'i, the nomination of HELEN NIELSEN, term to expire

June 30, 2015, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 550, submitting for consideration and confirmation to the Board of Regents of the University of Hawaii, the nomination of SIMEON ACOBA, JR., term to expire June 30, 2017, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 551, submitting for consideration and confirmation to the Board of Regents of the University of Hawaii, the nomination of WAYNE HIGAKI, term to expire June 30, 2016, was referred to the Committee on Higher Education and the Arts.

Gov. Msg. No. 552, submitting for consideration and confirmation to the Hawai'i Community Development Authority, the nomination of BEAU J.K. BASSETT, term to expire June 30, 2019, was referred to the Committee on Human Services and Housing.

Gov. Msg. No. 553, submitting for consideration and confirmation to the Hawai'i Community Development Authority, the nomination of MARY PAT WATERHOUSE, term to expire June 30, 2019, was referred to the Committee on Human Services and Housing.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 344 and 345) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 344, transmitting H.C.R. No. 224, which was adopted by the House of Representatives on March 30, 2015, was placed on file.

By unanimous consent, H.C.R. No. 224, entitled: "HOUSE CONCURRENT RESOLUTION NAMING THE NEW WAIMANALO ELEMENTARY AND INTERMEDIATE SCHOOL BUILDING IN HONOR OF AL LEWIS," was deferred.

Hse. Com. No. 345, informing the Senate that on March 30, 2015, the House disagreed to the amendments proposed by the Senate to the following House bills:

H.B. No. 179, H.D. 1 (S.D. 1);
H.B. No. 947 (S.D. 1); and
H.B. No. 1410, H.D. 1 (S.D. 1),

was placed on file.

STANDING COMMITTEE REPORTS

Senator Kahele, for the Committee on Tourism and International Affairs, presented a report (Stand. Com. Rep. No. 1167) recommending that S.R. No. 34, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1167 and S.R. No. 34, S.D. 1, entitled: "SENATE RESOLUTION COMMEMORATING THE THIRTIETH ANNIVERSARY OF HAWAII'S SISTER-STATE RELATIONSHIP WITH THE GUANGDONG PROVINCE," was deferred until Wednesday, April 1, 2015.

Senators Kahele and Baker, for the Committee on Tourism and International Affairs and the Committee on Commerce and Consumer Protection, presented a joint report (Stand. Com. Rep. No. 1168) recommending that S.C.R. No. 158 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1168 and S.C.R. No. 158, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO EXAMINE IF AND HOW OTHER STATES REGULATE TOUR OPERATORS WITHIN

THEIR JURISDICTION," was deferred until Wednesday, April 1, 2015.

Senator Thielen, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1169) recommending that S.C.R. No. 48 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1169 and S.C.R. No. 48, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DIVISION OF AQUATIC RESOURCES AND DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT TO COLLABORATE WITH FEDERAL PARTNER AGENCIES TO PROTECT IMPORTANT STATE MARINE RESOURCES," was deferred until Wednesday, April 1, 2015.

Senator Kahele, for the Committee on Tourism and International Affairs, presented a report (Stand. Com. Rep. No. 1170) recommending that S.C.R. No. 74, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Green, seconded by Senator Slom and carried, the report of the Committee was adopted and S.C.R. No. 74, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE HAWAII TOURISM AUTHORITY TO COORDINATE WITH THE HOSPITALITY INDUSTRY, CORPORATION FOR TRAVEL PROMOTION, AND HAWAII'S CONGRESSIONAL DELEGATION TO AMEND THE H-1B VISA LAW TO ALLOW FOR EMPLOYMENT OF PERSONS WITH CULTURAL AND LANGUAGE SKILLS THAT WILL HELP CREATE A MORE WELCOMING ENVIRONMENT FOR INTERNATIONAL VISITORS," was referred to the Committee on Ways and Means.

Senator Kahele, for the Committee on Tourism and International Affairs, presented a report (Stand. Com. Rep. No. 1171), recommending that S.R. No. 35, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Green, seconded by Senator Slom and carried, the report of the Committee was adopted and S.R. No. 35, S.D. 1, entitled: "SENATE RESOLUTION URGING THE HAWAII TOURISM AUTHORITY TO COORDINATE WITH THE HOSPITALITY INDUSTRY, CORPORATION FOR TRAVEL PROMOTION, AND HAWAII'S CONGRESSIONAL DELEGATION TO AMEND THE H-1B VISA LAW TO ALLOW FOR EMPLOYMENT OF PERSONS WITH CULTURAL AND LANGUAGE SKILLS THAT WILL HELP CREATE A MORE WELCOMING ENVIRONMENT FOR INTERNATIONAL VISITORS," was referred to the Committee on Ways and Means.

ORDER OF THE DAY

ADVISE AND CONSENT

MATTER DEFERRED FROM FRIDAY, MARCH 27, 2015

Stand. Com. Rep. No. 1075 (Gov. Msg. No. 503):

Senator Dela Cruz moved that Stand. Com. Rep. No. 1075 be received and placed on file, seconded by Senator Nishihara and carried.

Senator Dela Cruz then moved that the Senate advise and consent to the nomination of DOUGLAS MURDOCK as Director of the Department of Accounting and General Services, term to expire December 3, 2018, seconded by Senator Nishihara.

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

"Thank you, Madam President. Today, I am pleased to speak in support of the governor's appointee for comptroller, Douglas

Murdock. Mr. Murdock has extensive experience in both the public and private sectors. Prior to beginning work as comptroller, Mr. Murdock was vice president of Administrative and Fiscal Affairs for the Hawai'i Tourism Authority – we won't hold that against him. Previous to that, he served as counsel with the law firm of Alston Hunt Floyd & Ing.

"Further, Mr. Murdock has 25 years of service with the United States Air Force and rose to the rank of colonel during his tenure with the Air Force Judge Advocate General's Corps. He was responsible for multibillion-dollar acquisitions, advising base leadership on government ethics and procurement integrity, leading a 45-member legal office, and supervising general court-martial jurisdiction. He was a member of the Hawai'i Procurement Policy Board from 2011 to 2012, and is a former president of the National Contract Management Association, Aloha Chapter.

"Your Committee on Government Operations believes that the nominee possesses the necessary qualifications to serve as comptroller and lead the Department of Accounting and General Services. Mr. Murdock has demonstrated his commitment to public service through his military and state careers. His expertise in managing government contracts and emphasis on professional ethics are invaluable, as comptroller, to possess. Colleagues, I ask for your support of Governor's Message 503."

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

"Thank you, Madam President, colleagues. On behalf of the Minority, I rise in strong support of the nominee. In the very short period of time that I've gotten to know him and talk to him, I'm convinced that he is absolutely the right man for the right job. We have placed a greater importance on DAGS, and we certainly need some changes to be made, and he's the man to make them. We're very happy to support him. Thank you."

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

Ayes, 23. Noes, none. Excused, 2 (Espero, Taniguchi).

At this time, Senator Dela Cruz introduced newly confirmed Director Douglas Murdock, who was present in the gallery.

ADVISE AND CONSENT

Stand. Com. Rep. No. 1164 (Gov. Msg. No. 539):

Senator Dela Cruz moved that Stand. Com. Rep. No. 1164 be received and placed on file, seconded by Senator Nishihara and carried.

Senator Dela Cruz then moved that the Senate advise and consent to the nomination of AUDREY HIDANO as Deputy Director of the Department of Accounting and General Services, term to expire December 3, 2018, seconded by Senator Nishihara.

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

"Thank you, Madam President. I am also pleased to support the appointment of Audrey Hidano as deputy of the Department of Accounting and General Services. Ms. Hidano recently served as the deputy director of the Department of Transportation until December 2014. Previous to that, from 2010 to 2013, she served as deputy director of the Department of Labor and Industrial Relations, a position she also held from 2000 to 2002. Ms. Hidano also has served in the private sector as co-founder of Hidano Construction, where she continues to serve as secretary/treasurer; is co-owner of Rim-Pac, Inc.; and vice president and secretary of Grand Development, Inc. The nominee has acquired a range of expertise in the areas of

personnel management, payroll, accounting, human resources management, and contract management over the course of her career in the construction industry. And she did serve a short stint in the Honolulu City Council; I think she served with you, Madam President.

"Your committee believes that this nominee is eminently qualified to serve as the deputy director of the Department of Accounting and General Services. Ms. Hidano's background in the private and public sectors provide her with a wealth of expertise necessary for understanding the industry and industry contacts, which will be valuable as she contributes to the leadership of a department charged with overseeing numerous state construction contracts.

"Colleagues, I ask you to support Governor's Message 539, appointing Audrey Hidano as deputy director of the Department of Accounting and General Services."

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

"Thank you, Madam President. Again, the Minority is in full support of this nominee. Personally, I've had the pleasure of knowing Ms. Hidano for many years over many careers, but in all of those careers, she has blended private expertise, public service, independence of mind and spirit. I think we're all very lucky because we're going to have a very good team with Murdock and Hidano at DAGS. Thank you."

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

Ayes, 23. Noes, none. Excused, 2 (Espero, Taniguchi).

At this time, Senator Dela Cruz introduced newly confirmed Deputy Director Audrey Hidano, who was present in the gallery with her husband and supporters from the Department of Accounting and General Services.

At 11:56 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:01 p.m.

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. 1028, H.D. 2	Jointly to the Committee on Government Operations and the Committee on Ways and Means

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

"I just wanted to let the members know that I did talk to the DAGS director and the deputy director about the paper towels in the bathroom because that seems to be a very common concern of the membership, and I hope that they can get that solved quickly. Thank you."

Senator Baker reminded the members and staff about the Easter basket drive to benefit the Institute for Human Services.

Senator Gabbard announced that developer D.R. Horton-Schuler Homes had donated five acres of land at its Ho'opili development for a Hawaiian Humane Society West O'ahu location, which would benefit North Shore and Leeward residents, of whom 74 percent have pets.

ADJOURNMENT

At 12:04 p.m., on motion by Senator Green, seconded by Senator Slom and carried, the Senate adjourned until 11:30 a.m., Wednesday, April 1, 2015.