

CONFERENCE COMMITTEE REPORTS

Conf. Com. Rep. 1 on H.B. No. 952

The purpose of this measure is to facilitate investigations of public contractor violations of wage and hour requirements by:

- (1) Requiring that the name of the complainant be withheld from the employer unless prior permission to release the name is given by the complainant;
- (2) Providing for a three year time limit from the time that wages or overtime compensation were due to initiate a claim; and
- (3) Limiting the scope of the investigation to the three year period preceding the filing of the claim.

Your Committee on Conference amended this measure by removing the provisions that:

- (1) Provided for a three year time limit from the time that wages or overtime compensation were due to initiate a claim; and
- (2) Limited the scope of the investigation to the three year period preceding the filing of the claim.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 952, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 952, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Nakashima, Rhoads, Johanson and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 2 on H.B. No. 287

The purpose of this measure is to broaden the exception from public disclosure for government records under the Uniform Information Practices Act to include records whose disclosure would create a substantial and demonstrable risk of physical harm to an individual.

Your Committee on Conference has amended this measure to make it take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 287, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 287, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Takayama and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 3 on S.B. No. 1049

The purpose of this measure is to:

- (1) Prohibit the Department of Health from approving an electronic device manufacturer's recycling plan if the plan provides an electronic device owner with only a mail-back option from returning a covered electronic device to the electronic manufacturer for recycling; and
- (2) Authorize the approval of the recycling plan of an electronic device manufacturer of exclusively mobile covered electronic devices whose products are voluntarily accepted at no charge by at least fifty retail locations in the State if the plan documents these locations.

Your Committee on Conference finds that electronic waste is one of the fastest growing waste streams in the State. As technology advances and more electronic products are produced and consumed by the public, the generation of electronic waste is expected to increase. Providing only a mail-back option to return a covered electronic device to the electronic manufacturer for recycling is prohibitively expensive and time consuming for consumers and businesses. Implementation of this measure will increase electronic waste recycling and further the State's goal of waste reduction.

Your Committee on Conference has amended this measure by inserting an effective date of January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1049, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1049, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Green, Galuteria, Ihara and Wakai.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Representatives Lee, Lowen, Yamane and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Yamane).

Conf. Com. Rep. 4 on S.B. No. 878

The purpose of this measure is to:

- (1) Authorize the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems; and
- (2) Define "composting toilet".

Your Committee on Conference finds that the existing flush and septic systems in certain areas of the State are ill-suited due to geographic challenges and scarce water supplies. These areas present formidable engineering challenges including proximity to the ocean, hard volcanic rock, and groundwater just two feet below the surface. Composting toilets are a viable alternative in areas that are inaccessible to municipal water systems. Authorizing the counties to approve the installation and use of composting toilets will improve the health and welfare of the State.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 878, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 878, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Green, English, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (English).

Representatives Lee, Lowen, Ing and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 5 on S.B. No. 419

The purpose of this measure is to allow neighborhood board members to attend meetings or presentations located on Oahu without violating the Sunshine Law, under certain conditions.

Your Committee on Conference finds that there have been widespread complaints regarding the inability of neighborhood board members to attend informational events due to the Sunshine Law. Under section 92-82, Hawaii Revised Statutes, if at least a number that constitutes a quorum of neighborhood board members attends any meetings or presentations open to the public, those members in attendance may be in violation of the Sunshine Law. Implementation of this measure will allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions, and increase communication between neighborhood board members and constituents.

Your Committee on Conference has amended this measure by removing language that:

- (1) Restricts neighborhood board members who attend meetings or presentations pursuant to this measure from further discussing any board business; and
- (2) Requires neighborhood board members to report their attendance and the matters presented that related to official board business at the meeting or presentation at the next duly noticed meeting of the neighborhood board.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 419, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 419, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, Ihara, Thielen and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Thielen, Slom).

Representatives Rhoads, Brower and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 6 on S.B. No. 1096

The purpose of this measure is to ensure that electric utilities serving as billing and collection agents in a purely pass-through capacity for any on-bill financing or repayment program are exempt from certain state or county taxes and state laws regulating financial institutions, escrow depositories, and collection agencies.

Your Committee on Conference finds that electric utilities serving as billing and collection agents for an on-bill program serve in a pass-through capacity for any and all monies collected and remitted while participating in the on-bill program. Accordingly, electric utilities who serve as billing and collection agents and function in a pass-through capacity are not raising revenue from monies collected and remitted while participating in an on-bill program. Your Committee on Conference further finds that levying of revenue-related taxes or imposing other financial regulations on an electric utility participating in a pass-through capacity in an on-bill program would create additional costs for the utility, which could be passed on to ratepayers. This measure eliminates these additional costs but does not impact other fees or taxes imposed on other amounts received in the normal course of operations by an electric utility.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1096, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1096, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Harimoto and Slom.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Lee, Woodson, Lowen, Evans and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Evans).

Conf. Com. Rep. 7 on H.B. No. 858

The purpose of this measure is to:

- (1) Permit the early termination of residential rental agreements in cases of domestic violence; and
- (2) Specify additional procedures under the residential landlord-tenant code for instances of domestic violence.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to November 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 858, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 858, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Shimabukuro, Thielen and Slom.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, none.

Representatives McKelvey, Rhoads, Har, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Har, McDermott).

Conf. Com. Rep. 8 on H.B. No. 1075

The purpose of this measure is to ensure that the people of the State have continued access to health care services in areas served by regional systems of the Hawaii Health Systems Corporation (HHSC). Specifically, this measure authorizes HHSC's Maui Regional System to negotiate an agreement with a private entity to transfer the exclusive right to conduct ongoing business at one or more of its facilities, including Maui Memorial Medical Center, Kula Hospital and Clinic, and Lanai Community Hospital, to a nonprofit management entity that is wholly-owned by a private entity.

Your Committee on Conference has amended this measure to delineate the process whereby the Maui Regional System would enter into a public-private partnership with one or more private entities, or their nonprofit management entities, to transfer the right and responsibility to manage, operate, and provide health care services in Maui Regional System facilities. In addition, this measure takes steps to protect employees affected by the transfer. Among other things, this measure:

- (1) Clarifies that a private entity involved in such a transfer must be authorized to transact business in the State and must:
 - (A) Have a Certificate of Need from the State Health Planning Development Agency to operate one or more licensed hospitals in the State; or
 - (B) Be the sole member of a nonprofit management entity that has obtained a Certificate of Need from the State Health Planning Development Agency to operate one or more licensed hospitals in the State;
- (2) Amends the negotiation process for the transition of the Maui Regional System, including a requirement for the submission of statements of interest by an interested private entity or its nonprofit management entity and the changing of the parties required for the negotiation;
- (3) Establishes new standards and timelines for the State's ongoing oversight and control over the management and operation of the Maui Regional System as it is transferred to a new private entity or its nonprofit management entity;

- (4) Establishes provisions for the protection of employees currently employed by a transferred facility, including minimum employment requirements, the preservation of earned benefits, and collective bargaining agreement planning aimed at tempering the adverse effects of potential layoffs;
- (5) Requires that the Governor report to the Legislature on the progress of the transfer of facilities;
- (6) Changes its effective date to take effect upon its approval; provided that the amendment made to section 89-8.5, Hawaii Revised Statutes, shall be repealed one year after the transfer completion date specified in an agreement negotiated and entered into under chapter 323F, part , Hawaii Revised Statutes, and section 89-8.5, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act; and
- (7) Makes technical, nonsubstantive amendments, as well as conforming amendments throughout, for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1075, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1075, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker, Keith-Agaran, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Nakashima, Luke, Yamashita and Thielen.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 9 on H.B. No. 119

The purpose of this measure is to encourage and assist individuals and families to save private funds to support individuals with disabilities by:

- (1) Requiring the Director of Finance to establish the Hawaii ABLE Savings Program (Program) to provide for individual, private savings accounts to support individuals with disabilities; and
- (2) Establishing the Hawaii ABLE Savings Program Trust Fund to support the Program.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 119, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 119, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Riviere, Dela Cruz, Green and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

Representatives Belatti, Kobayashi, Morikawa and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 10 on H.B. No. 1090

The purpose of this measure is to stimulate economic development in Hawaii's technology business sector by:

- (1) Prohibiting the use of noncompete and nonsolicit clauses in any employment contract, post-employment contract, or separation agreement for an employee of a technology business; and
- (2) Stipulating that if an employment contract contains a noncompete or nonsolicit clause relating to an employee of a technology business, the clause shall be void and of no force and effect.

Employment restrictive covenants such as non-compete or non-solicit clauses are often contained in employment-related contracts, particularly in the technology sector. These restrictive covenants effectively prevent an individual from working at an organization with which a former employer competes or does business. Your Committee on Conference finds that these restrictive covenants impede the development of businesses within the State by limiting skilled workers' mobility within the State, forcing many of these workers to seek employment in other jurisdictions, and requiring local businesses to solicit skilled workers from outside of the State. Eliminating non-compete and non-solicit clauses for employees of the technology business sector will stimulate Hawaii's economy by preserving and providing jobs for employees in this sector and by providing opportunities for these employees to establish new companies and new job opportunities in the State.

However, your Committee on Conference notes concerns raised about the broad application this measure may have and has amended this measure by narrowing the scope of the prohibition on non-compete and non-solicit clauses relating to an employee of a technology business to employment contracts only.

Technical, nonsubstantive amendments have also been made for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1090, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1090, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Baker, Keith-Agaran, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

Representatives Kawakami, McKelvey, Rhoads, Kong, Takayama and Ward.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 11 on H.B. No. 623

The purpose of this measure is to further reduce Hawaii's dependence on imported fossil fuels and promote the growth of the State's renewable energy industry by:

- (1) Increasing renewable portfolio standards for electric utilities to 30 percent by December 31, 2020; 70 percent by December 31, 2040; and 100 percent by December 31, 2050;
- (2) Providing as an event or circumstance that is outside an electric utility company's reasonable control, the inability to acquire sufficient renewable electrical energy to meet the 2040 and 2050 renewable portfolio standard goals in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources; and
- (3) Requiring the Public Utilities Commission to include the impact of renewable portfolio standards, if any, on the energy prices offered by renewable energy developers and the cost of fossil fuel volatility in its renewable portfolio standards study and report to the Legislature.

Your Committee on Conference has amended the measure by:

- (1) Adjusting the renewable portfolio standards for electric utilities to 100 percent by December 31, 2045; and
- (2) Providing as an event or circumstance that is outside an electric utility company's reasonable control, the inability to acquire sufficient renewable electrical energy to meet the renewable portfolio standard goals beyond 2030 in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 623, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 623, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, Galuteria, Ihara and Tokuda.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

Representatives Lee, Nishimoto, Lowen and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 12 on S.B. No. 17

The purpose of this measure is to clarify that the required disclosure of documents relating to restrictions or conditions, including unrecorded rules or guidelines, by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions within a seller's actual or constructive knowledge or control and all documents subject to disclosure under section 514B-154.5, Hawaii Revised Statutes.

Your Committee on Conference finds that chapter 508D, Hawaii Revised Statutes, was amended in 2013 to, among other things, establish a uniform standard of disclosure for consumers and real estate licensees involved in planned community association, condominium project, and cooperative housing corporation transactions. Your Committee on Conference further finds that this measure is intended to clarify the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions in a manner consistent with and subject to the seller's duty of good faith as provided for under section 508D-9, Hawaii Revised Statutes; and
- (2) Updating the purpose section.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 17, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 17, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Taniguchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Taniguchi).

Representatives McKelvey, Rhoads, Woodson and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 13 on S.B. No. 1094

The purpose of this measure is to make various updates to title 24, Hawaii Revised Statutes, relating to insurance, including:

- (1) Making fees consistent for applications and services provided by the Insurance Division of the Department of Commerce and Consumer Affairs to certain groups and insurers;
- (2) Enabling the Insurance Division to recover certain administrative costs associated with the applications process and services provided by the Division;
- (3) Prohibiting rerating of rates approved by the Insurance Commissioner;
- (4) Permitting the suspension, revocation, or denial of a mutual benefit society's certificate of authority under certain conditions; and
- (5) Making other housekeeping and conforming amendments.

Your Committee on Conference finds that this measure makes fees under title 24, Hawaii Revised Statutes, consistent for applications and services provided by the Insurance Division of the Department of Commerce and Consumer Affairs to purchasing groups, foreign risk retention groups, insurers subject to chapter 431, Hawaii Revised Statutes, fraternal benefit societies, mutual benefit societies, health maintenance organizations, and dental insurers. This measure also enables the Insurance Division to recover certain administrative costs associated with the applications process and services provided by the Division. Your Committee on Conference further finds that this measure specifies that rerating of rates approved by the Insurance Commissioner is prohibited; permits the suspension, revocation, or denial of a mutual benefit society's certificate of authority under certain conditions; and makes other conforming or housekeeping amendments within title 24, Hawaii Revised Statutes, for clarity and consistency.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1094, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1094, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda and Taniguchi.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives McKelvey, Cachola, Oshiro, Woodson and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Oshiro).

Conf. Com. Rep. 14 on S.B. No. 1177

The purpose of this measure is to address the Auditor's findings contained in Report No. 14-11, "Audit of the Hawaii State Foundation on Culture and the Arts," by appropriating funds to establish four full-time equivalent positions (4.0 FTE) with the Hawaii State Foundation on Culture and the Arts (Foundation).

Your Committee on Conference finds that the Foundation is responsible for a collection of nearly six thousand three hundred pieces of art and approximately \$3,000,000 per year in revenue from the works of art special fund. Your Committee on Conference further finds that a recent audit of the Foundation found it needs to improve its management to ensure the accountability, accessibility, and protection of these important assets and resources.

Your Committee on Conference notes that adequate staffing is critical to the performance of these duties and other strategic goals of the Foundation. Your Committee on Conference understands the challenge of promptly establishing additional staff positions to fulfill the necessary and crucial duties of an organization. The continuance of staff positions is also a critical factor in the successful operation of the Foundation, achievement of its goals, and the preservation of art as a central part of life for the people of Hawaii.

Your Committee on Conference has amended this measure by inserting an appropriation amount of \$113,663 for fiscal year 2015-2016 and \$227,325 for fiscal year 2016-2017 to establish four full-time equivalent positions (4.0 FTE) with the Foundation.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1177, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1177, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Inouye, English, Harimoto and Wakai.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Ito, Luke, Ohno and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 15 on S.B. No. 868

The purpose of this measure is to:

- (1) Authorize each county liquor commission to regulate dancing on licensed premises; and
- (2) Require each county liquor commission that regulates dancing to adopt or amend rules regarding dancing in premises licensed to sell liquor for consumption thereon and define the term "dancing", no later than October 1, 2015.

Your Committee on Conference finds that this measure will provide each county liquor commission with the authority to regulate dancing on licensed premises and require each county liquor commission that regulates dancing to adopt or amend rules regarding dancing in premises licensed to sell liquor. Implementation of this measure will enable county liquor commissions to provide patrons with an understanding of and guidelines regarding any implemented dancing regulations.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 868, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 868, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Baker, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Kawakami, McKelvey, Yamashita, Kobayashi and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Kobayashi).

Conf. Com. Rep. 16 on H.B. No. 261

The purpose of this measure is to:

- (1) Require health insurers, mutual benefit societies, and health maintenance organizations to post and update information on drug formularies via a public website and through a toll-free number; and
- (2) Establish a formulary accessibility working group to be appointed and administered by the Insurance Commissioner to make recommendations for a standard formulary template.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 261, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 261, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker, Kouchi, Ruderman and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ruderman, Slom).

Representatives Belatti, McKelvey, Kobayashi, Hashem and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 17 on H.B. No. 538

The purpose of this bill is to assist victims of domestic violence by:

- (1) Requiring all wireless telecommunications service providers to release victims of documented domestic violence from shared wireless plans involving their abuser, upon written request with evidence of domestic violence as documented by a valid police report; and
- (2) Authorizing the family court to issue an order requiring wireless telecommunications service providers to:
 - (A) Transfer the billing authority and all rights to the wireless numbers of a shared wireless plan to a petitioner, provided that the petitioner is not the account holder; or
 - (B) Remove or release a petitioner from a shared wireless plan and assign a substitute telephone number or numbers.

Your Committee on Conference has amended this bill by:

- (1) Permitting the use of an order for protection granted pursuant to chapter 586, Hawaii Revised Statutes, or a signed affidavit from a licensed medical or mental health care provider, employee of a court acting within the scope of their employment, or social worker as documentary evidence of domestic violence; and
- (2) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 538, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 538, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Shimabukuro, Thielen and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, McKelvey, Rhoads, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 18 on S.B. No. 464

The purpose of this measure is to require:

- (1) Clear and conspicuous disclosure of a continuous service clause for a product or service and the procedure for cancellation;
- (2) Persons charging a consumer's credit or debit card or account for an automatic renewal or a continuous service to obtain affirmative consent from the affected consumer and an acknowledgment regarding terms, cancellation policy, and the cancellation procedure;
- (3) Free trial offers to clearly and conspicuously disclose the right of the consumer to cancel before payment is made and the cancellation procedure; and
- (4) Clear and conspicuous notice of any material change to the terms of an automatic renewal or continuous service offer.

Your Committee on Conference finds that automatic renewal and continuous service offers may be problematic for consumers if there is inadequate disclosure of material terms, informed consent is not obtained prior to billing or charging a consumer for goods or services, or an effective method of cancellation is not provided. Your Committee on Conference further finds that clear disclosure of all terms and conditions in a consumer contract and affirmative consent on behalf of a consumer, prior to being charged for automatic renewal or continuous service offers, are important aspects of consumer protection. Accordingly, this measure enhances the regulation of automatic renewal and continuous service clauses and ensures adequate safeguards for Hawaii consumers subject to these clauses.

Your Committee on Conference has amended this measure by:

- (1) Specifying that a person making automatic renewal or continuous service offers pursuant to a consumer contract must include certain information for the consumer;
- (2) In the case of a material change in the terms of the automatic renewal or continuous service offer, requiring clear and conspicuous notice of the material change and information on how to cancel in a manner that can be retained by the consumer prior to the implementation of the material change;
- (3) Amending the exempt entities to include a telecommunications provider subject to chapter 269, Hawaii Revised Statutes, and a cable operator subject to chapter 440G or 440J, Hawaii Revised Statutes;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 464, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 464, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Taniguchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives McKelvey, Rhoads, Brower and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 19 on S.B. No. 1316

The purpose of this measure is to:

- (1) Establish a working group to examine the issues regarding requests to the board of directors of an association of apartment owners, condominium association, cooperative housing corporation, or planned community association for the installation of electric vehicle charging systems; and

- (2) Require the working group, with the assistance of the Legislative Reference Bureau, to report its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee on Conference finds that electric vehicles reduce fossil fuel consumption and are gradually becoming more popular in the State. As the demand for electric vehicles grows, so does the demand for electric vehicle charging systems. Examining the issues regarding resident requests for the installation of electric vehicle charging systems will increase the likelihood of residents having the ability to choose more efficient transportation solutions in the future and further the State's clean energy goals.

Your Committee on Conference has amended this measure by:

- (1) Modifying the composition of the working group by adding a representative from the Building Industry Association of Hawaii, a representative from Hawaiian Electric Company, and two representatives from Hawaii EV Partnership and deleting two representatives from EV Structure;
- (2) Clarifying that the Legislative Reference Bureau's role is to assist the working group with its final report and prepare any proposed legislation; and
- (3) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1316, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1316, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Lee, McKelvey, Lowen and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Lowen).

Conf. Com. Rep. 20 on S.B. No. 971

The purpose of this measure is to ensure that certain eligible rental housing projects will remain affordable for certain minimum periods in order to be certified for exemption from general excise taxes.

Your Committee on Conference finds that encouraging private sector investment and construction of rental housing for Hawaii's families is critical. By setting minimum affordability terms for rental housing projects, this measure will ensure that any improvements to a rental housing project that is exempt from the general excise tax will accrue to the benefit of lower income households for a period commensurate with the extent of the improvements.

Your Committee on Conference has amended this measure by:

- (1) Specifying that this measure shall apply to projects with an initial certification date after June 30, 2015; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 971, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 971, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Riviere, Green, Ruderman and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Representatives Hashem, Kobayashi, Jordan and Fukumoto Chang.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Jordan).

Conf. Com. Rep. 21 on S.B. No. 521

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds in an amount up to \$45,000,000 to Waimea Nui Community Development Corporation, a private not-for-profit corporation, for the planning, acquisition, and construction of agriculture, renewable energy, and educational facilities.

Your Committee on Conference finds that the Waimea Nui Community Development Corporation is a Native Hawaiian non-profit organization operating in the South Kohala district of the Island of Hawaii and has developed a comprehensive agriculture and renewable energy enterprise, open to the entire Kohala region, that directly contributes to the State's economy and security through local food and energy production. Therefore, your Committee on Conference finds that the issuance of special purpose revenue bonds to the Waimea Nui Community Development Corporation is in the public interest and for the public health, safety, and general welfare.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 521, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 521, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Tsuji, Yamane, Cullen, Evans and Pouha.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 22 on H.B. No. 87

The purpose of this measure is to:

- (1) Require independent civil process servers to provide additional documentation of relevant training, general excise tax license, and bond or errors and omissions insurance to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Shield process servers performing their duties from prosecution under criminal trespass statutes when they enter premises that are not secured by a fence or a locked gate; and
- (3) Make permanent Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process.

Your Committee on Conference has amended this measure to:

- (1) Delete the documentation of relevant training and bond or errors and omissions insurance from the requirements to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Extend the effective date of Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process, to June 30, 2020; and
- (3) Make technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 87, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 87, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, Brower, San Buenaventura and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 23 on H.B. No. 179

The purpose of this measure is to specify that the forwarding address for absentee ballots to be permanently mailed shall be the mailing address in the county that is contained in the voter's registration. A voter seeking to have permanent absentee ballots forwarded to another address shall reapply for an absentee ballot.

Your Committee on Conference has amended this measure to remove the clarifying provision that the forwarding mailing address is required to be in the county that is contained in the voter's registration. Instead, the forwarding mailing address shall be the voter's in-state mailing address.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 179, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 179, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Brower, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 24 on S.B. No. 508

The purpose of this measure is to require noncandidate committee preliminary reports to be filed on October 1 of a general election year in addition to filing ten calendar days prior to a general, primary, special, or nonpartisan election.

Your Committee on Conference finds that existing law requires noncandidate committees to file preliminary reports ten days prior to the general election. However, with the increased use of absentee voting, including mail-in absentee ballots that are cast well before the ten day filing deadline, voters do not have access to the amount of money noncandidate committees spend on ballot initiatives or opposing or supporting candidates. This measure requires an additional, earlier filing deadline for preliminary reports that disclose noncandidate committee expenditures to allow voters to “follow the money” regarding candidates and issues on the ballot.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 508, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 508, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, DeCoite, Tokioka and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Tokioka).

Conf. Com. Rep. 25 on S.B. No. 569

The purpose of this measure is to amend the offense of theft in the second degree to:

- (1) Increase the threshold value of property or services from \$300 to \$750; and
- (2) Require a two percent annual increase of the threshold value of property or services, rounded up to the nearest dollar, beginning on January 1, 2017, and increasing on January 1 of each year thereafter.

Your Committee on Conference finds that the last time the threshold value of property or services under the offense of theft in the second degree increased was in 1986. Prices of consumer items have substantially increased since 1986. This measure updates the threshold value of property or services under the offense of theft in the second degree to better reflect the rise in prices of consumer items.

Your Committee on Conference has amended this measure by deleting language that requires a two percent annual increase of the threshold value of property or services beginning on January 1, 2017, and on January 1 of each year thereafter.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 569, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 569, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Espero, Ihara, Shimabukuro and Thielen.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Rhoads, San Buenaventura and Takayama.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 26 on H.B. No. 888

The purpose of this measure is to make it a petty misdemeanor for an intoxicated person to recklessly possess and discharge a loaded firearm in a public place. The person who appears to be intoxicated shall be subject to a breath or blood test by a law enforcement officer.

Your Committee on Conference has amended this measure by:

- (1) Deleting discharge of the firearm in a public place as required elements of the offense;
- (2) Removing the provision that a person who appears to be intoxicated shall be subject to a breath or blood test by a law enforcement officer;
- (3) Establishing objective standards by which a person is considered intoxicated; and
- (4) Making this measure take effect on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 888, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 888, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, Galuteria, Ihara and Thielen.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Ihara).

Representatives Rhoads, Takayama and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 27 on S.B. No. 717

The purpose of this measure is to:

- (1) Increase the membership of the Petroleum Advisory Council to include a representative of the biofuel industry and a representative of the biotechnology industry;
- (2) Require the Petroleum Advisory Council to study the impacts Hawaii's ethanol requirement has had on the State and the effects of repealing this requirement; and
- (3) Require the Petroleum Advisory Council to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee on Conference finds that since 2006, Hawaii has required that gasoline sold in the State include ten percent ethanol. However, despite dozens of biomass, biodiesel, and ethanol facilities that have been proposed for Hawaii, no ethanol plants currently exist in the State. The requirement of blending ethanol into Hawaii's gasoline does not produce any economic benefit for the State, and the import of ethanol creates an economic burden for state residents. The repeal of the ethanol gasoline requirement will ensure that any added costs associated with ethanol blending will not affect gasoline price and supply.

Your Committee on Conference has amended this measure by:

- (1) Reverting to the S.D. 1 version, which repeals the requirement that gasoline sold in the State for use in motor vehicles include ten percent ethanol; and
- (2) Changing the effective date to December 31, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 717, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 717, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker and Slom.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Lee, Aquino, McKelvey, Nakashima and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Aquino, Nakashima).

Conf. Com. Rep. 28 on S.B. No. 831

The purpose of this measure is to align the requirements for establishing start-up and conversion charter schools, and to make housekeeping amendments to chapter 302D, Hawaii Revised Statutes.

Your Committee on Conference finds that certain amendments are necessary to make incremental but important improvements to chapter 302D, Hawaii Revised Statutes, relating to public charter schools. This measure strengthens Hawaii's public charter school system by making necessary housekeeping amendments and addressing concerns regarding enrollment preferences for educationally disadvantaged students and students enrolled in charter schools that are slated for closure.

Your Committee on Conference has amended this measure by:

- (1) Making discretionary, rather than mandatory, public charter school enrollment or waitlist priority for students enrolled in a public charter school who have received notice that their school is closing or facing charter revocation;
- (2) Deleting a provision that would have required the Department of Education to submit a notice of possible availability of a department school or notice of vacancy of a department school to the Board of Education regardless of whether the Department of Education has elected to use the department school to support education programs;
- (3) Making this measure effective upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 831, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 831, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Harimoto, Dela Cruz, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Riviere, Slom).

Representatives Takumi, DeCoite, Kong, Ohno and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 29 on S.B. No. 871

The purpose of this measure is to:

- (1) Authorize the Director of Transportation (Director) to grant reciprocal licensing privileges to an adult driver who holds a license from another jurisdiction under certain conditions;
- (2) Require the Director to publish on the Department of Transportation's public website a list of the countries for which reciprocal operating privileges have been extended and those that have been withdrawn;
- (3) Authorize the Director to require an applicant for reciprocal licensing privileges to provide translation of the license and documents from the other jurisdiction if those documents are in languages other than Hawaiian or English;
- (4) Make conforming amendments to reflect reciprocal licensing privileges for other jurisdictions;
- (5) Allow for the waiver of actual demonstration of ability to operate a motor vehicle for a person with reciprocal licensing privileges; and
- (6) Repeal the Driver's License Reciprocity Committee.

Your Committee on Conference finds that the ability to drive adds to a person's quality of life and facilitates earning a livelihood in Hawaii and in many other countries. This measure furthers the ability to drive by providing driver's license reciprocity with other countries under specified conditions.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that reciprocal licensing privileges may be granted by the Director to a person who holds a license from another country or state; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 871, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 871, S.D. 1, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, English, Ihara, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Aquino, Tokioka, Rhoads, San Buenaventura and Tupola.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 30 on S.B. No. 223

The purpose of this measure is to:

- (1) Add "emergency guardian" and substitute "temporary guardian" with "temporary substitute guardian" under the types of guardian the public guardian is authorized to serve as;
- (2) Prohibit the Office of the Public Guardian from petitioning for its own appointment as guardian of the person for an incapacitated person; and
- (3) Authorize the court to allow the Office of the Public Guardian to manage a ward's financial assets where no conservatorship is in effect, provided that if a conservatorship comes into effect for the ward, the public guardian's financial powers related to the ward shall be terminated.

Your Committee on Conference finds that for the past ten years, the Office of the Public Guardian has declined to petition the court for its own appointment due to the potential for conflicts of interest. This measure codifies this practice by prohibiting the Office of the Public Guardian from petitioning for its own appointment while allowing private and public entities and the Department of Human Services to petition for the Office of the Public Guardian's appointment as guardian pursuant to section 560:5-304, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by clarifying that if a conservatorship comes into effect for the ward, the public guardian shall not have or exercise any financial powers that have been granted to the conservator for the duration of the conservatorship rather than terminating the public guardian's financial powers related to the ward.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 223, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 223, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Brower and Thielen.

Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 31 on S.B. No. 756

The purpose of this measure is to:

- (1) Establish a mortgage license exemption for a seller of real property who offers or negotiates terms of a residential mortgage loan, agreement of sale, purchase money mortgage, rent-to-own agreement, or other loan that is secured by the seller's own real property and for which the seller is the mortgagee or lender and the buyer is the mortgagor or borrower; and
- (2) Specify the qualifications that must be met for a seller-financed license exemption, including specific interest rate, repayment schedule, and disclosure requirements and requiring the use of judicial or non-judicial foreclosure proceedings in the event of a default.

Your Committee on Conference finds that owner financing is a useful tool in the credit market, as it expands the pool of potential buyers for owners and gives buyers an opportunity to make a purchase that may otherwise have been out of reach, particularly if the buyers are unable to qualify for a traditional mortgage loan. Seller financing can also assist in intra-family transactions and transfers of property. Accordingly, this measure is intended to establish a mortgage license exemption for a seller to engage in seller financing, if certain conditions are met.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the mortgage license exemption proposed by this measure is for a seller of real property who offers or negotiates terms of a residential mortgage loan that is financed by the seller and secured by the seller's own real property;
- (2) Clarifying the eligibility criteria for sellers to qualify for the exemption, including removing criteria related to reasonable ability to repay, certain fixed or adjustable interest rates, repayment schedules, the use of judicial or non-judicial foreclosure proceedings, and the ability of the director to act on behalf of a buyer for enforcement purposes;
- (3) Clarifying the terms of the financing that the seller must disclose to the buyer;
- (4) Requiring the seller to provide the buyer with a disclaimer, to be initialed by the buyer, regarding the terms of the financing;
- (5) Updating the purpose section;
- (6) Inserting an effective date of upon approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 756, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 756, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Taniguchi and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives McKelvey, Woodson, Rhoads, Yamane and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Yamane, McDermott).

Conf. Com. Rep. 32 on H.B. No. 436

The purpose of this measure is to promote highway safety by requiring approaching vehicles to slow and change lanes when nearing Sheriff Division vehicles, Hawaii Emergency Management Agency vehicles, Civil Defense vehicles, Department of Transportation Harbors Division vehicles, Department of Land and Natural Resources Division of Conservation and Resources Enforcement vehicles, and county emergency management vehicles that are stopped for official duties, by amending the definition of "emergency vehicle" in the statewide traffic code to include these vehicles.

Public safety and emergency personnel are responsible for the protection and safety of the general public. These individuals often find themselves being placed in harm's way, especially when involved with incidents on the roadway. Your Committee on Conference finds that this measure is necessary to increase the safety of these personnel when they are stopped on a roadway conducting official business.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date from January 7, 2059, to upon its approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 436, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 436, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Espero, Keith-Agaran, Dela Cruz and Slom.

Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Representatives Aquino, Takayama, San Buenaventura, Har, LoPresti and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 2 (Har, Tupola).

Conf. Com. Rep. 33 on H.B. No. 1273

The purpose of this measure is to achieve the State's goals of energy security, energy independence, and food security by permitting the development of hydroelectric facilities in agricultural districts with a productivity rating of class A or B; provided that the facility and its appurtenances:

- (1) Have a hydroelectric generating capacity of not more than 500 kilowatts;
- (2) Comply with the State Water Code;
- (3) Are accessory to agricultural activities on agricultural land for agricultural use only; and
- (4) Do not adversely impact the use of agricultural land or the availability of surface or ground water for uses on all parcels served thereby.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2015.

A technical, nonsubstantive amendment was also made for clarity, style, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1273, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1273, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Gabbard, Baker, Thielen and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Representatives Tsuji, Lee, McKelvey, Woodson and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 34 on H.B. No. 391

The purpose of this measure is to amend Hawaii's prevailing wage law to ensure that laborers and mechanics working on public works projects receive fair wages. Specifically, this measure:

- (1) Allows overtime compensation to exceed time and one-half and specifies that if the Department of Labor and Industrial Relations determines that a prevailing wage is defined by collective bargaining, overtime will be at rates set by the applicable collective bargaining agreement; and
- (2) Specifies that overtime compensation and other premium pay rates are those rates specified by an applicable collective bargaining agreement when the basic hourly rate is established by a collective bargaining agreement.

Your Committee on Conference has amended this measure by:

- (1) Including a savings clause to preserve any rights and duties that have matured, penalties that were incurred, and proceedings that were begun before the effective date of this measure; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 391, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 391, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Gabbard, Ihara and Shimabukuro.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Representatives Nakashima, Keohokalole, Aquino and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Aquino).

Conf. Com. Rep. 35 on H.B. No. 894

The purpose of this measure is to provide the Enhanced 911 Board (Board) the authority to employ staff.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the Board to employ an executive director that would be exempt from civil service and collective bargaining laws;
- (2) Changing the effective date to July 1, 2015; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 894, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 894, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, English, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Nakashima, McKelvey, Luke, Woodson and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 36 on H.B. No. 1268

The purpose of this measure is to help facilitate eligible, injured public employees to return to work as soon as possible and in a cost-effective manner by requiring those public employees to participate in the public employer's return to work program to receive vocational rehabilitation services under the workers' compensation law.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1268, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1268, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Inouye, Espero, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Nakashima, Keohokalole, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 37 on H.B. No. 707

The purpose of this measure is to repeal and abolish the following non-general funds and accounts:

- (1) Cancer Detection Development Revolving Fund;
- (2) Hawaii Criminal Justice Commission Trust Account;
- (3) Preservation of Endangered Plants Trust Account;
- (4) State DOD Physical Amelioration Donation Trust Fund; and
- (5) UH Wellness Center – Operating Account.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 707, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 707, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, English, Harimoto, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (English).

Representatives Jordan, Kobayashi and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 38 on H.B. No. 15

The purpose of this measure is to:

- (1) Clarify the composition of the Elections Commission;
- (2) Clarify that the Chairperson of the Elections Commission serves at-will and may be removed by a two-thirds vote of the commissioners;

- (3) Clarify the term limits of the members of the Elections Commission, including the Chairperson;
- (4) Provide a process for holdovers when the term of the Chairperson or a commission member expires and a selection has not been made; and
- (5) Create a statewide standard for the distribution of absentee ballots.

Your Committee on Conference has amended this measure to:

- (1) Delete the provisions which:
 - (A) Clarify the composition of the Elections Commission;
 - (B) Specify the at-will employment status and the process for the removal of the Chairperson;
 - (C) Clarify the term limits of the members of the Elections Commission; and
 - (D) Provide a process for holdovers;
- (2) Specify that the Chief Election Officer is an at-will employee; and
- (3) Require the Elections Commission to:
 - (A) Provide written notification of any removal of the Chief Election Officer, including a statement of the reason for removal;
 - (B) Conduct a performance evaluation of the Chief Election Officer within two months after the date a general election is certified; and
 - (C) Hold a public hearing on the performance of the Chief Election Officer and consider the information gathered at the hearing when deliberating the reappointment of the Chief Election Officer.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 15, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 15, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Gabbard, Ihara, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Gabbard, Slom).

Representatives Rhoads, Brower, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 39 on S.B. No. 1131

The purpose of this measure is to:

- (1) Update the Uniform Controlled Substances Act, chapter 329, Hawaii Revised Statutes, for consistency with amendments in federal law on controlled substances;
- (2) Add a new synthetic cathinone and eight new synthetic cannabinoids to section 329-14, Hawaii Revised Statutes;
- (3) Amend section 329-16(b), Hawaii Revised Statutes, to remove certain opium and opiate compounds and their respective salts from the Schedule II narcotic drugs; and
- (4) Amend section 329-20, Hawaii Revised Statutes, to add new controlled substances that have been federally scheduled, as required under section 329-11, Hawaii Revised Statutes.

Your Committee on Conference finds that this measure amends Hawaii's Uniform Controlled Substances Act, codified as chapter 329, Hawaii Revised Statutes, to be consistent with changes in federal law and any emergency scheduling actions taken by the Narcotics Enforcement Division Administrator, as required by section 329-11, Hawaii Revised Statutes. Your Committee on Conference further finds that there is a growing problem in the State of new synthetic hallucinogenic substances being offered for sale to the public as herbal incense, bath salts, plant food, or legal highs. Numerous adverse effects have been reported from these new synthetic cathinones and synthetic cannabinoids, including seizures, coma, agitation, convulsions, and, in some cases, death.

Your Committee on Conference has amended this measure by:

- (1) Deleting language removing certain opium and opiate compounds and their respective salts from the Schedule II narcotic drugs;
- (2) Inserting an effective date of upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1131, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1131, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran and Slom.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Belatti, San Buenaventura, Hashem and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 40 on S.B. No. 265

The purpose of this measure is to:

- (1) Amend the offense of promoting prostitution in the first degree by:
 - (A) Replacing “promoting prostitution in the first degree” with “sex trafficking”;
 - (B) Establishing that a person commits the offense of sex trafficking if the person knowingly advances prostitution by compelling or inducing a person to engage in prostitution or profits from such conduct by another under certain coercive circumstances, or advances or profits from prostitution of a person less than eighteen years old; and
 - (C) Making conforming amendments to reflect the change from “promoting prostitution in the first degree” to “sex trafficking”;
- (2) Include the offense of sex trafficking in the Department of the Attorney General’s statewide witness program;
- (3) Include the offense of sex trafficking in the list of violent crimes for which victims may be eligible for criminal injury compensation;
- (4) Amend portions of certain sections, subsections, and a definition in chapter 663J, Hawaii Revised Statutes, relating to civil liability in specific cases of coercion into prostitution;
- (5) Remove the statute of limitations for the offense of sex trafficking;
- (6) Amend the title of part I of chapter 712, Hawaii Revised Statutes, to include sex trafficking;
- (7) Amend the penalty for the offense of prostitution by:
 - (A) Establishing a class C felony if a person who paid, agreed to pay, or offered to pay a fee to engage in sexual conduct with another person did so in reckless disregard of the fact that the other person was or is a victim of sex trafficking; and
 - (B) Establishing a violation if the person who engaged in, or agreed or offered to engage in, sexual conduct with another person for a fee was less than eighteen years of age at the time of the offense;
- (8) Amend the offense of promoting prostitution in the second degree by:
 - (A) Replacing “promoting prostitution in the second degree” with “promoting prostitution”; and
 - (B) Clarifying that a person commits the offense of promoting prostitution if the person knowingly advances or profits from prostitution of a person eighteen years of age or older;
- (9) Specify that a motion to vacate a conviction of certain prostitution offenses under section 712-1209.6, Hawaii Revised Statutes, does not apply to the offense of sex trafficking and add a definition of “victim of trafficking” to that section;
- (10) Include the offense of sex trafficking in the list of covered offenses for which property is subject to forfeiture;
- (11) Add the offense of sex trafficking to the list of crimes for which an order to intercept wire, oral, or electronic communications is permitted;
- (12) Make a conforming amendment to section 846E-10(c), Hawaii Revised Statutes, relating to tier 2 offenses for the registration of sex offenders; and
- (13) Include the offense of sex trafficking in the list of offenses to which deferred acceptance of guilty plea or nolo contendere plea does not apply.

Your Committee on Conference finds that national organizations have rated Hawaii highly for its laws against sex trafficking. Hawaii received the top “Tier One” rating by Polaris in its 2014 state reports. Only eleven other states have received this rating. However, your Committee on Conference further finds that the existing laws relating to prostitution and promoting prostitution may not be suitable to address certain circumstances in which coercion or other inability to consent is present. This measure uses the existing framework of laws pertaining to the promotion of prostitution by means of coercion to more appropriately title these unlawful acts as “sex trafficking”.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that:
 - (A) Removes the statute of limitations for the offense of sex trafficking; and
 - (B) Establishes a class C felony under the offense of prostitution if a person who paid, agreed to pay, or offered to pay a fee to engage in sexual conduct with another person did so in reckless disregard of the fact that the other person was or is a victim of sex trafficking;

- (2) Amending section 712-1202(1), Hawaii Revised Statutes, to:
- (A) Reinstate language that requires that the advancement of prostitution be compelled or induced by force, threat, fraud, or intimidation in order to constitute sex trafficking and defines the terms fraud and threat; and
 - (B) Delete threat and intimidation from the list of certain coercive means by which a person may knowingly advance prostitution in order to constitute sex trafficking; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 265, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 265, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Espero, Shimabukuro, Thielen and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 2. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 41 on S.B. No. 181

The purpose of this measure is to authorize the Department of Education to continue, until June 30, 2020, awarding high school diplomas to qualified veterans who did not receive a high school diploma as a result of compulsory induction into active service in the Armed Services of the United States or to any person whose high school education was interrupted due to wartime practices such as internment during World War II.

Your Committee on Conference finds that individuals often had to defer their educational goals as a result of compulsory induction into active service in the Armed Services of the United States or due to wartime practices such as internment during World War II. Implementation of this measure recognizes veterans for their commendable service and sacrifices to our country.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of June 29, 2015; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 181, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 181, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Kidani, Kouchi, Harimoto and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Ito, Takumi, Tokioka, Ohno and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 42 on H.B. No. 26

The purpose of this measure is to clarify the method of calculating the compensation of trustees. This measure, among other things:

- (1) Specifies that banks, trust companies, and individuals who in the ordinary course of business serve as fiduciaries shall, when serving as trustee, be entitled to reasonable compensation;
- (2) Clarifies that advanced written notice of any amendment of trustee bank and trust company fee schedules shall be provided to beneficiaries who are vested at the time of the notice;
- (3) Amends and specifies for clarity the method of calculating compensation for individual co-trustees;
- (4) Specifies that trustees shall be paid not more than once per quarter and are not required to be paid upon the trust's receipt of income; and
- (5) Repeals the cost of living adjustment of the asset value ranges upon which trustee compensation is calculated.

Your Committee on Conference has amended this measure to:

- (1) Take effect upon its approval; and
- (2) Make technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 26, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 26, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Luke, Johanson and McDermott.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 43 on H.B. No. 1491

The purpose of this measure is to assure meaningful disclosure of the source of campaign funding by requiring noncandidate committees that make only independent expenditures to report, for contributions from other than an individual, for-profit business entity, or labor union that are in excess of \$10,000 in any election period or in excess of \$5,000 in the period covered by a late contribution report:

- (1) The internet address where the contributing entity's disclosure report can be publicly accessed;
- (2) The name, address, occupation, and employer of each funding source of \$100 or more in the aggregate in an election period to that contributing entity; or
- (3) An acknowledgement that the contributing entity is not subject to any state or federal disclosure requirements regarding the source of the contributing entity's funds.

Your Committee on Conference has amended this measure to make technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1491, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1491, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro, Espero, Ihara and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Espero, Slom).

Representatives Rhoads, DeCoite, Lee and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 44 on H.B. No. 896

The purpose of this measure is to satisfy claims against the State, its officers, or its employees, including claims for legislative relief, judgments against the State, settlements, and miscellaneous claims by appropriating funds.

Your Committee on Conference has amended this measure to:

- (1) Include six additional claims that have been resolved for an additional \$1,580,000. Four claims increase the general fund appropriation request by \$660,000 and two claims increase appropriation requests from departmental funds by \$920,000;
- (2) Reclassify one claim in the amount of \$2,804.56 as an appropriation from departmental funds rather than general funds; and
- (3) Take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 896, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 896, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Espero, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Espero, Slom).

Representatives Rhoads, Luke, Brower and McDermott.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 45 on H.B. No. 775

The purpose of this measure is to increase the economic benefits realized from international student enrollment at Hawaii's institutions of higher learning by appropriating funds to the Department of Business, Economic Development, and Tourism for:

- (1) Marketing Hawaii and Hawaii's institutions of higher learning to attract international students; and
- (2) Travel and other recruitment expenses related to the marketing of Hawaii as an international education destination.

Hawaii's unique history, optimal geographic placement between the United States and Asia, and globally ranked programs of higher education have all served as factors in establishing Hawaii as a major destination of choice for international students seeking to further

their education. Over the past several years, however, Hawaii has been losing ground to other states in the attraction of international students, particularly students from Asia. According to the Chamber of Commerce of Hawaii, while the rest of the United States has experienced an approximately 13 percent growth in international student enrollment over the past three years, Hawaii has experienced an 11 percent decline over the same period.

While the Department of Business, Economic Development, and Tourism markets Hawaii as an educational location for overseas study, the breadth of this marketing strategy has been diminished from a lack of appropriate funding. As it is estimated by the Department that an increase of 10 percent in the number of international students studying in Hawaii would result in a concomitant increase in state tax revenues of approximately \$16,000,000, your Committee on Conference finds that it is prudent to appropriate funds to market Hawaii to international students as an educational destination.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$250,000 for Fiscal Year 2015-2016 to the Department of Business, Economic Development, and Tourism to market Hawaii and Hawaii's institutions of higher education to international students; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 775, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 775, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, English, Galuteria, Wakai and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Wakai, Slom).

Representatives Kawakami, Choy, Nishimoto, Ichiyama, Kong and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 2 (Ichiyama, Ward).

Conf. Com. Rep. 46 on H.B. No. 582

The purpose of this measure is to:

- (1) Continue the Nursing Facility Sustainability Program by extending the program for an additional year; and
- (2) Appropriate funds out of the Nursing Facility Sustainability Program Special Fund for fiscal year 2015-2016.

Your Committee on Conference has amended this measure by:

- (1) Amending the manner in which the Nursing Facility Sustainability Fee is calculated and paid, including specifying a \$5.85 or a \$13.46 per resident daily fee, depending on the type of facility;
- (2) Making the use of revenues from the Nursing Facility Sustainability Fee and federal matching funds to enhance the capitated rates paid to Medicaid managed care health plans applicable only to state fiscal year 2015-2016;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 582, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 582, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Green, Riviere, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Belatti, Kobayashi, Creagan and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 47 on H.B. No. 631

The purpose of this measure is to amend the requirements for the issuance of a new birth certificate to accurately reflect an individual's gender identity and, if applicable, name change, following a gender transition by:

- (1) Deleting requirements that an individual complete a sex change operation as a prerequisite for amending the sex designation on a birth certificate;
- (2) Requiring, instead, an affidavit from a licensed medical or mental health provider attesting that the current sex designation on the birth certificate does not align with the individual's gender identity and a court order pursuant to Hawaii Supreme Court rules granting the individual's petition for an amended birth certificate;
- (3) Providing for confidentiality of the original birth certificate and the record of its amendment;
- (4) Providing for amendments to the birth certificate to reflect a legal name change associated with the gender transition; and

- (5) Prohibiting the Department of Health from requiring documentation or medical records beyond the affidavit and order specified.

Upon consideration, your Committee on Conference has amended this measure by:

- (1) Amending the affidavit requirements to specify that the affiant shall be a licensed physician with a bona fide physician-patient relationship with the birth registrant;
- (2) Specifying that the affidavit shall state that the physician has reviewed the birth registrant's medical records and determined that the birth registrant has received appropriate clinical treatment resulting in a completed gender transition so that the sex designation on the birth registrant's current birth certificate is not aligned with the registrant's actual gender;
- (3) Deleting the requirements for a petition and court order authorizing the issuance of a new birth certificate;
- (4) Changing its effective date to July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 631, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 631, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Keith-Agaran and Baker.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, Rhoads, Lee and Fukumoto Chang.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Fukumoto Chang).

Conf. Com. Rep. 48 on S.B. No. 1113

The purpose of this measure is to expand the scope of background checks conducted by the Department of Health on operators, employees, applicants, and volunteers in health care facilities and other persons providing health care on behalf of the Department of Health to include criminal history record checks, sex offender registry record checks, adult abuse perpetrator and child abuse and neglect record checks, and certified nurse aide registry record checks.

Your Committee on Conference finds that individuals with developmental disabilities, as well as children and the elderly populations, are considered vulnerable to potential abuse, neglect, and mistreatment by family members, caregivers, and others who have direct access to them. This measure provides protection to the public when they seek health care services at licensed or certified health care facilities.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that for purposes of immunity from civil liability for the Department of Health, the presumption of good faith in obtaining and relying upon background check information may be rebutted upon showing of proof that the Department or its designee relied upon information or opinion that it knew was false or misleading or that the reliance was unreasonable;
- (2) Clarifying that for purposes of immunity from civil liability, any applicant or operator who receives information relating to a background check from the Department of Health or its designee shall be presumed to be acting in good faith for reasonably taking or recommending action based upon the Department's recommendation or direction; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1113, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1113, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs and Senate President on behalf of the Committee.

Senators Green, Chun Oakland, Keith-Agaran, Espero and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Nakashima, Creagan, Hashem and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 49 on S.B. No. 1291

The purpose of this measure is to prohibit discrimination against medical marijuana patients and caregivers by schools, landlords, courts with regard to medical care or parental rights, employers, planned community associations, condominium property regimes, and condominiums.

Your Committee on Conference finds that some civil protections are necessary to protect registered medical marijuana patients from certain ramifications based solely upon a positive test for marijuana use. Because the State has endorsed marijuana as a legitimate

medical treatment, it follows that the State would also provide protection for those who require such treatment, not only from criminal consequences, but from civil consequences as well.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have prohibited an employer from taking disciplinary measures or discriminating against an employee solely on the basis of a positive test for marijuana, under certain conditions;
- (2) Clarifying that provisions related to prohibiting discrimination by planned community associations, condominium property regimes, and condominiums against persons who have a valid certificate for the medical use of marijuana shall not be construed to diminish the obligation of planned community associations, condominium property regimes, and condominiums to provide reasonable accommodations for persons with disabilities;
- (3) Making this measure effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1291, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1291, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Keith-Agaran, Espero, Gabbard and Ihara.
Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Gabbard, Ihara).

Representatives Belatti, Rhoads, Creagan, Takayama and Thielen.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 50 on S.B. No. 1117

The purpose of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation.

Your Committee on Conference finds that during fiscal year 2015, the Hawaii Health Systems Corporation has been forced to absorb approximately \$48,000,000 in unfunded collective bargaining raises that were negotiated by the Administration on the Corporation's behalf. To deal with this deficit, the Hawaii Health Systems Corporation began implementing its contingency plans, including elimination of 109 vacant positions and 33 filled positions, closure of Maui Memorial's adolescent psychiatry unit, hiring freezes, and aggressive pursuit of attrition savings.

Your Committee on Conference further finds that an emergency appropriation for the Hawaii Health Systems Corporation is necessary to maintain a stable statewide health care system that is relied upon by residents and visitors of the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$15,000,000 for supporting the functions of the Hawaii Health Systems Corporation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1117, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1117, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Tokuda, Baker, Kouchi and Slom.
Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Kouchi).

Representatives Belatti, Luke, Nishimoto and Fukumoto Chang.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Nishimoto).

Conf. Com. Rep. 51 on H.B. No. 482

The purpose of this measure is to support the Pesticide Subsidy Program in the Department of Agriculture by:

- (1) Establishing a full-time temporary program manager position for the Program;
- (2) Establishing an unspecified maximum salary for the program manager position; and
- (3) Appropriating unspecified sums from the Pesticide Use Revolving Fund for fiscal biennium 2015-2017 for the program manager position.

Your Committee on Conference has amended this measure by:

- (1) Establishing the maximum salary of the program manager position at \$50,000 per year;
- (2) Appropriating \$75,000 for each year of fiscal biennium 2015-2017 for the program manager position; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 482, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 482, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Inouye, Kouchi, Taniguchi and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Tsuji, Lowen, DeCoite, Onishi and Ward.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 52 on H.B. No. 573

The purpose of this measure is to help preserve and protect the agricultural resources of Hawaii and help the State achieve its goals of food security, sustainability, and self-sufficiency by:

- (1) Establishing a permanent Hawaii Good Agricultural Practices Program within the Department of Agriculture; and
- (2) Appropriating unspecified sums for fiscal biennium 2015-2017 for the implementation of the Program.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$300,000 for fiscal year 2015-2016 to implement the Hawaii Good Agricultural Practices Program;
- (2) Changing its effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 573, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 573, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Dela Cruz and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Tsuji, Onishi, Cachola, DeCoite and Ward.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 53 on H.B. No. 850

The purpose of this measure is to address the budgetary shortfalls experienced by the University of Hawaii College of Tropical Agriculture and Human Resources' (CTAHR) Cooperative Extension Service by appropriating funds for critical specified unfunded positions for specified counties.

Your Committee on Conference has amended this measure by:

- (1) Deleting the provisions specifying the extension agent positions and the distribution of the agents to specific counties;
- (2) Appropriating \$350,000 for four positions for the Cooperative Extension Service Program deemed critical by CTAHR in accomplishing the purpose of the Program, with one position for each county;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 850, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 850, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Ruderman, Riviere, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Riviere, Slom).

Representatives Tsuji, Choy, Onishi, Cachola, Ichiyama and Matsumoto.

Managers on the part of the House.

Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 54 on H.B. No. 1332

The purpose of this measure is to ensure that agricultural crops on the island of Kauai receive a steady and dependable supply of water and are better protected from the effects of drought conditions by appropriating unspecified sums for fiscal biennium 2015-2017 for the maintenance and improvements to the Peekauai Ditch Irrigation System, also known as Menehune Ditch on Kauai.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$10,000 for fiscal year 2015-2016 for the maintenance and improvements to the Peekauai Ditch; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1332, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1332, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Tsuji, Onishi, Kong and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 55 on H.B. No. 10

The purpose of this measure is to support student health by, among other things:

- (1) Authorizing Department of Education (DOE) employees and agents to volunteer to administer:
 - (A) Insulin, or assist a student in administering insulin via the insulin delivery system that the student uses;
 - (B) Glucagon in an emergency situation to students with diabetes; or
 - (C) Auto-injectable epinephrine in an emergency situation to students with anaphylaxis;
- (2) Allowing students to perform required diabetes self-monitoring and self-treatment activities; and
- (3) Allowing advanced practice registered nurses to provide certain written certifications regarding the administration of medication to students by themselves or by others.

Your Committee on Conference has amended the measure by changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 10, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 10, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Harimoto, Kouchi, Thielen and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Thielen, Slom).

Representatives Takumi, Belatti, Nishimoto, Kobayashi, Kong and Matsumoto.

Managers on the part of the House.

Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 56 on H.B. No. 11

The purpose of this measure is to improve public education in Hawaii by authorizing an additional per year bonus for teachers who maintain current National Board certification under the National Board Certification Incentive Program and teach at a school in a focus, priority, or Superintendent's Zone, as determined by the Department of Education.

Your Committee on Conference has amended the measure by:

- (1) Applying it retroactively to bonuses for the 2014 calendar year; provided that payment of such 2014 bonuses will be made during the 2015 calendar year, in addition to any other bonuses for which the teacher is eligible for the 2015 calendar year;
- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 11, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 11, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Harimoto and Riviere.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Takumi, Nishimoto, Kong, Ohno and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 57 on H.B. No. 831

The purpose of this measure is to provide for an orderly process to close down a public charter school in the event it becomes financially insolvent.

Your Committee on Conference has amended the measure by changing its effective date to upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 831, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 831, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Harimoto, Kouchi, Ruderman and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ruderman, Slom).

Representatives Takumi, Nishimoto, Kong, LoPresti and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 58 on H.B. No. 820

The purpose of this measure is to establish the Executive Office on Early Learning Prekindergarten Program to provide high-quality early childhood education to Hawaii's children.

Your Committee on Conference has amended the measure by:

- (1) Renaming the Executive Office on Early Learning Prekindergarten Program the Executive Office on Early Learning Public Prekindergarten Program;
- (2) Requiring the Executive Office on Early Learning to report on the plans and costs for program expansion in fiscal years 2017, 2018, and 2019; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 820, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 820, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Kouchi, Harimoto, Riviere and Thielen.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Thielen).

Representatives Takumi, Luke, Kong, Ohno and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 59 on H.B. No. 1140

The purpose and intent of this measure is to establish a temporary cesspool upgrade, conversion, or connection income tax credit for cesspool owners who:

- (1) Upgrade or convert a qualified cesspool into a septic system or an aerobic treatment unit system; or
- (2) Connect a qualified cesspool to a sewer system.

Your Committee on Conference finds that cesspools constitute a nonpoint contamination source for the State's streams, groundwater, and ocean. Your Committee on Conference believes that, by providing financial assistance to cesspool owners who upgrade, convert, or connect their cesspools, this measure will help facilitate the reduction of cesspool pollution in the State.

Your Committee on Conference has amended this measure by:

- (1) Providing that, in the case of a qualified cesspool that is a residential large capacity cesspool, the amount of the credit shall be equal to the qualified expenses of the taxpayer, up to a maximum of \$10,000 per residential dwelling connected to the cesspool, as certified by the Department of Health;
- (2) Providing that the Department of Health, as a pilot program, may certify no more than two residential large capacity cesspools as qualified cesspools;
- (3) Inserting a dollar amount of \$5,000,000 as the maximum amount of tax credits allowed for all taxpayers in any taxable year;
- (4) Including residential large capacity cesspools within the definition of "qualified cesspool";
- (5) Defining "residential large capacity cesspool" as a cesspool that is connected to more than one residential dwelling;
- (6) Making a conforming amendment to the purpose section to reflect the inclusion of residential large capacity cesspools in the measure;

- (7) Changing the effective date to July 1, 2015; and
- (8) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1140, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1140, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Tokuda and Ihara.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Lee, Lowen, Keohokalole and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 60 on H.B. No. 1513

The purpose of this measure is to support local companies in Hawaii that conduct renewable energy research and development through existing contracts with the principal research division of the United States Department of Defense, Office of Naval Research, by establishing a matching grant program.

Specifically, the measure:

- (1) Establishes a two-year Alternative Energy Research and Development Pilot Program under the Department of Business, Economic Development, and Tourism to provide grants to qualified businesses that conduct research and development on alternative energy;
- (2) Establishes the Alternative Energy Research and Development Revolving Fund; and
- (3) Appropriates unspecified sums from the general fund to the Alternative Energy Research and Development Revolving Fund in fiscal years 2015-2016 and 2016-2017 to be used for providing grants during the two-year pilot program.

Your Committee on Conference has amended the measure by:

- (1) Providing that a business is ineligible to receive a grant under the Alternative Energy Research and Development Pilot Program if the business has obtained any other state grant for the same research;
- (2) Appropriating \$1,000,000 from the general fund to the Alternative Energy Research and Development Revolving Fund in fiscal years 2015-2016 and 2016-2017 to be used for providing grants during the two-year pilot program; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Tokuda, Dela Cruz, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Kouchi).

Representatives Lee, Lowen, Yamane and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Yamane).

Conf. Com. Rep. 61 on H.B. No. 1394

The purpose of this measure is to explore the sustainability and conservation potential of water scalping in Hawaii by conducting a feasibility study on the use of water scalping technology in state facilities.

Specifically, the measure:

- (1) Requires the Department of Transportation to conduct a feasibility study on the use of water scalping technology in state facilities;
- (2) Specifies the contents of the feasibility study; and
- (3) Requires the Department to submit a report to the Legislature, no later than November 30, 2016, on the Department's findings and recommendations regarding water scalping.

Your Committee on Conference finds that Hawaii has limited access to natural fresh water supplies. Your Committee on Conference believes that sustainable access to fresh water is essential to the State's future, and the State should support the discovery of new and innovative options for water conservation. Water scalping is one method that may help Hawaii achieve fresh water sustainability. The process of water scalping involves the extraction of valuable, usable water from a sewerage network. Water scalping may allow for unused and wasted water to be reclaimed and put to beneficial use, such as outdoor irrigation. Your Committee

on Conference further finds that a feasibility study focused on the use of water scalping technology in state airport facilities may serve as a model to assist the State in achieving water sustainability and reducing reliance on conventional water supplies.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the feasibility study on the use of water scalping technology shall be conducted in state airport facilities, rather than in state facilities, including specifying that the Airports Division of the Department of Transportation, rather than the Department of Transportation, shall conduct the feasibility study;
- (2) Authorizing the Airports Division of the Department of Transportation to develop a process design for the processing portion of the implementation of water scalping technology, if funds are available;
- (3) Requiring the Airports Division of the Department of Transportation to submit its report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016, rather than November 30, 2016;
- (4) Directing the Airports Division of the Department of Transportation to apply for a Federal Aviation Administration grant to fund the implementation of a water scalping technology pilot project;
- (5) Making an appropriation from the airport special fund for airports administration (TRN195), as provided for in the General Appropriations Act of 2015, to support the purposes of this measure;
- (6) Clarifying that if Federal Aviation Administration funds are available, the Department of Transportation may expend the federal funds for the purposes of this measure, and if Federal Aviation Administration funds are not available, authorizing the Department of Transportation to expend up to the amount of airport special fund moneys appropriated in this measure; and
- (7) Changing the effective date from July 1, 2053, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1394, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1394, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Dela Cruz, Tokuda, Galuteria and Slom.
Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

Representatives Lee, Yamane, Cullen, Evans, Lowen and Thielen.
Managers on the part of the House.

Ayes, 5. Noes, none. Excused, 1 (Yamane).

Conf. Com. Rep. 62 on H.B. No. 1214

The purpose of this measure is to appropriate moneys from the general fund to the Office of the Auditor to support the state-county functions working group established by Act 174, Session Laws of Hawaii 2014.

Your Committee on Conference finds that the state-county functions working group was established by Act 174, Session Laws of Hawaii 2014, to evaluate the division of duties and responsibilities between the State and counties relating to the provision of public services. Your Committee on Conference further finds that Act 174, Session Laws of Hawaii 2014, provided that reimbursements would be made to the working group members by the Auditor, based upon the Auditor's request to the Legislature in 2015 and 2016 for an appropriation equal to the reimbursements made and expected to be made. Reimbursements for travel and report production costs for fiscal year 2014-2015 were \$150,000, and it is estimated that the fiscal year 2015-2016 costs for consultant services, meetings, and final report production will increase to \$165,000. Your Committee on Conference believes that implementation of this measure will help the state-county functions working group to fulfill its duties and responsibilities.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the funds appropriated shall come from the transient accommodations tax revenues allocated to the counties pursuant to section 237D-6.5(b)(3), Hawaii Revised Statutes, instead of from the general revenues of the State;
- (2) Changing the appropriation amount from an unspecified sum to \$165,000, and allocating \$15,000 to pay for the actual expenses incurred and expected to be made by the working group and \$150,000 to procure consultant services to assist the working group; and
- (3) Changing the effective date from July 1, 2050, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1214, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1214, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Kouchi and Slom.
Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Nishimoto, DeCoite, Yamashita and Tupola.
Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 63 on H.B. No. 1432

The purpose of this bill is to provide moneys for state-funded assistance programs by establishing the Interim Assistance Reimbursement Special Fund to allow the Department of Human Services to retain from one fiscal year to the next any interim assistance reimbursements received from the federal government for general assistance recipients who have been retroactively approved for supplemental security income benefits.

Your Committee on Conference has amended this bill by:

- (1) Removing the section that would have appropriated moneys out of the general fund for deposit into the Interim Assistance Reimbursement Special Fund;
- (2) Changing the amount appropriated out of the Interim Assistance Reimbursement Special Fund from an unspecified amount to \$3,000,000; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1432, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1432, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Tokuda, Dela Cruz and Green.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 1 (Dela Cruz).

Representatives Morikawa, Jordan, Oshiro and Fukumoto Chang.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Oshiro).

Conf. Com. Rep. 64 on H.B. No. 1180

The purpose of this measure is to improve transparency and efficiency in the State procurement process by, among other things:

- (1) Requiring the Administrator of the State Procurement Office to establish a contractor performance database;
- (2) Requiring the Chief Procurement Officers of the various state jurisdictions to coordinate with the Administrator regarding procurement policies, innovations, and concerns;
- (3) Transferring the authority for the Compliance Audit Unit to the State Procurement Office;
- (4) Requiring the Compliance Audit Unit to establish a meaningful statewide procurement contract database; and
- (5) Establishing a procurement task force to examine the cost impacts of the procurement process for public works construction projects and to examine and recommend past performance standards and procedures.

Your Committee on Conference has amended the contents of this measure to encompass only the provisions requiring the Chief Procurement Officer of each jurisdiction to:

- (1) Coordinate with the Administrator regarding procurement policies, innovations, and concerns; and
- (2) Report procurement contract data to the Administrator.

Additionally, your Committee has changed the effective date of this measure to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1180, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1180, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Johanson, Kobayashi and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 65 on H.B. No. 318

The purpose of this measure is to exempt the right to place names on public buildings from the bidding requirements and 15-year limitations governing public contracts for concessions.

Your Committee has amended this measure by changing its effective date to take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 318, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 318, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Harimoto, Ihara, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Lowen, DeCoite, Johanson and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Johanson).

Conf. Com. Rep. 66 on H.B. No. 1153

The purpose of this measure is to recognize the sacrifices made by members of the United States armed forces by exempting qualifying veterans who are totally and permanently disabled from paying the annual vehicle registration fee for motor vehicles registered after an unspecified date.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the annual vehicle registration fee exemption applies to motor vehicle registrations issued or renewed after January 1, 2016; and
- (2) Making a technical, nonsubstantive amendment for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1153, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1153, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Nishihara, Inouye, Kidani and Slom.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, none.

Representatives Ito, Aquino, Cullen, Tokioka and Tupola.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 67 on H.B. No. 206

The purpose of this measure is to amend the Hawaii Public Procurement Code to require that all publicly-funded landscaping projects include a specified minimum percentage of Hawaiian plants in order to contribute to a Hawaiian sense of place, reduce the use of non-native and invasive plant species, and preserve Hawaii's ecological and cultural heritage.

Your Committee has amended this measure by:

- (1) Clarifying the procedure for determining allowable exemptions from the required minimum percentage of Hawaiian plants by specifying that the Procurement Policy Board may establish procedures, standards, or guidelines without regard to chapter 91, Hawaii Revised Statutes, for determining exclusions from total plant footprint calculations at the time that invitations for bids, requests for proposals, or other solicitations for each landscaping project are issued;
- (2) Specifying that Hawaiian plants that satisfy the minimum percentage requirement include both indigenous and endemic plant species; and
- (3) Making the measure effective upon approval and making the statutory section establishing the required minimum percentages of Hawaiian plants effective on June 30, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 206, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 206, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Galuteria, English, Ruderman and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Ruderman, Slom).

Representatives Ing, Lowen, Keohokalole and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 68 on H.B. No. 207

The purpose of this measure is to support Hawaii's statutory and constitutional mandate to protect native Hawaiian and Hawaiian traditional and customary rights by ensuring that members of government agencies that make decisions or formulate policy that affect or concern these rights are fully informed of their relevant duties and obligations.

This measure requires the Office of Hawaiian Affairs to develop a training course on native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust. It further requires members of certain state boards and commissions to complete this training course and permits any officer, representative, or employee of the State or a county to enroll in the training course.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the training course shall include natural resource protection and access rights;
- (2) Making it effective on July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 207, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 207, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Dela Cruz, Galuteria, Ihara and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Representatives Ing, Lowen, Keohokalole and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 69 on H.B. No. 1489

The purpose of this measure is to acknowledge and observe the importance of national parks in Hawaii. More specifically, this measure, among other things:

- (1) Requires the Director of Finance of each county to issue special number plates recognizing Haleakala National Park, Hawaii Volcanoes National Park, or both, to a registered owner of a motor vehicle who completes an application and pays required fees;
- (2) Requires the Director of Finance of the City and County of Honolulu, in consultation with the Directors of Finance of the Counties of Kauai, Maui, and Hawaii, the Chiefs of Police of the City and County of Honolulu, and the Counties of Kauai, Maui, and Hawaii, and the Superintendents of Haleakala National Park and Hawaii Volcanoes National Park, to establish the design of the special number plates;
- (3) Authorizes the Director of Finance of the City and County of Honolulu to establish a special number plate design that either jointly or separately recognizes Haleakala National Park and Hawaii Volcanoes National Park;
- (4) Establishes design restrictions on the special number plates;
- (5) Authorizes the Director of Finance of each county to determine the most efficient means of directing the revenue generated by the special number plate fees to the respective national park, or its partner nonprofit organization, as appropriate; and
- (6) Authorizes the Directors of Finance of each county to revoke all special number plates issued to commemorate Hawaii's national parks if the total number of registered vehicles that obtain the special number plates is less than 150 within three years of issuance of the first special number plate.

Hawaii is fortunate to have two national parks that preserve the unique environments of the Haleakala, Mauna Loa, and Kilauea volcanoes and their surroundings: Haleakala National Park and Hawaii Volcanoes National Park. Through the work of the National Park Service, millions of visitors from around the world have the opportunity to enjoy these parks and learn about the special natural resources and important cultural history of these places. As 2016 marks the 100th anniversary of the establishment of these national parks in Hawaii, your Committee on Conference finds that authorizing the issuance of special license plates recognizing Haleakala National Park and Hawaii Volcanoes National Park would be a fitting tribute to these parks.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1489, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1489, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, English and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Aquino, Yamashita, Har, Onishi and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Har, Tupola).

Conf. Com. Rep. 70 on H.B. No. 1010

The purpose of this measure is to reduce the negative impacts inherent to widespread use of motor vehicles including traffic congestion, greenhouse gas emissions, air pollution, and a reliance on fossil fuels in the transportation sector. Specifically, this measure promotes the use of commuter benefits programs by allowing counties to adopt ordinances requiring employers to offer

employees specified commuter benefits options to encourage the use of alternative modes of transportation to commute to and from work.

Your Committee on Conference finds that the use of commuter benefits programs will promote alternative forms of transportation, resulting in the reduction of traffic congestion, greenhouse gas emissions, air pollution, and the State's reliance on imported fossil fuel, and lead to an enhanced quality of life for the State's commuters.

Your Committee on Conference has amended this measure by:

- (1) Including transportation furnished by an employer at no cost or low cost, as determined by the designated authority, to employees in a vanpool, bus, or similar multi-passenger vehicle operated by or for the employer as one of the specified commuter benefits options;
- (2) Changing its effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1010, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1010, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Nishihara, Keith-Agaran, Harimoto and Ruderman.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Aquino, Rhoads, Cullen, Har, LoPresti and Tupola.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, 1 (Har).

Conf. Com. Rep. 71 on H.B. No. 252

The purpose of this measure is to:

- (1) Establish requirements for a pharmacy benefit manager that reimburses a contracting pharmacy for a drug on a maximum allowable cost basis; and
- (2) Require pharmacy benefit managers to have a clearly defined process for a contracting pharmacy to appeal the maximum allowable cost for a drug on a maximum allowable cost list and establish requirements for that process.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee on Conference recognizes that there is a concern because the measure does not specify the maximum length of time afforded to file an appeal with the pharmacy benefit manager. Your Committee on Conference understands that the applicable deadlines for filing an appeal are provided for in the Pharmacy Benefit Manager's Manual.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 252, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 252, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker, Kouchi, Wakai and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Wakai, Slom).

Representatives McKelvey, Belatti, Nishimoto, Oshiro and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Oshiro).

Conf. Com. Rep. 72 on H.B. No. 142

The purpose of this bill is to amend the requirements for issuing affordable housing credits for housing units developed by the Department of Hawaiian Home Lands by:

- (1) Authorizing the issuance of additional credits for eligible housing units as provided by adopted county ordinances, rules, or memoranda of agreement;
- (2) Requiring that twenty-five percent of the revenue from any credits transferred by the Department be used by the Department to develop rental properties;
- (3) Permitting the Department to enter into a memorandum of agreement with each issuing county to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits in accordance with county affordable housing ordinances or rules;

- (4) Requiring at least half of the affordable housing credits issued by the City and County of Honolulu to the Department to be subject to a memorandum of agreement; and
- (5) Making permanent Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, that established the counties' authority to issue affordable housing credits for housing developed by the Department of Hawaiian Home Lands.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that twenty-five percent of any monetary proceeds from credits transferred by the Department shall be used to develop units for rental properties;
- (2) Specifying that only the County of Kauai and the City and County of Honolulu may enter into memoranda of agreement with the Department;
- (3) Extending the sunset dates for Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, to July 1, 2019, instead of repealing the sunset dates; and
- (4) Changing the effective date to June 29, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 142, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Espero, Chun Oakland, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Hashem, Ing, Luke, Keohokalole and Pouha.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 73 on H.B. No. 277

The purpose of this measure is to encourage the development of affordable housing by providing the counties with a financing option to support infrastructure for affordable housing projects. Specifically, this measure:

- (1) Permits the Hawaii Housing Finance and Development Corporation to issue and sell revenue bonds to provide funding for county improvements, upon request by a county; and
- (2) Allows counties the option to use community facilities districts as a method for repayment of infrastructure development loans administered by the Hawaii Housing Finance and Development Corporation.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 277, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 277, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Espero, Dela Cruz, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Espero, Slom).

Representatives Hashem, Jordan, Morikawa, Oshiro and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 74 on H.B. No. 1251

The purpose of this measure is to provide assistance to public charter schools and early learning programs by, among other things:

- (1) Establishing a framework for public charter schools and early learning programs to use and occupy vacant state facilities;
- (2) Requiring the Board of Education to include information on facility and project funding in its annual report on public charter schools;
- (3) Requiring the Legislature, starting with the 2016-2017 fiscal year, to consider appropriations and bond authorizations for charter school facilities;
- (4) Establishing a Charter School Facilities Funding Working Group to advise the State Public Charter School Commission on prioritizing general fund appropriations and bond proceeds for public charter schools; and
- (5) Appropriating funds and authorizing the issuance of general obligation bonds for charter school facilities and improvements.

Your Committee on Conference has amended the measure by:

- (1) Specifying that only public charter schools and early learning programs affiliated with a public charter school are eligible to use and occupy vacant state facilities;

- (2) Removing the Executive Office on Early Learning from the framework for public charter schools and early learning programs to use and occupy vacant state facilities;
- (3) Deleting the appropriations and the authorization to issue general obligation bonds;
- (4) Changing its effective date to upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1251, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1251, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Tokuda, Dela Cruz, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Takumi, Luke, Ing, Kong and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 75 on H.B. No. 169

The purpose of this measure is to promote fairness in the imposition of tax on different transient accommodation business models by amending the definition of “fair market rental value” applicable to the transient accommodations tax and gradually increasing the transient accommodations tax rate imposed on resort time share vacation units by 1 percent each year until the amount of the tax rate is increased from the current 7.25 percent to 9.25 percent.

Your Committee on Conference finds that a change to the definition of “fair market rental value” is in order because the Department of Taxation has not exercised its discretion to take into account comparable transient accommodation rentals or other appraisal methods. However, the Department of Taxation believes that the scope of the gross daily maintenance fees should be clarified so that there is little question as to what is included and what is not included. The tax is based on the maintenance fees of the time share plan and does not include charges for optional goods or services such as food and beverage service. The purpose of this change is not intended to expand or reduce the scope of fees included in the gross daily maintenance fees, and as such, fees such as food and beverage, or other recreational rentals, as well as time share units’ condominium association assessments should not be included.

Your Committee on Conference has amended this measure by:

- (1) Amending the definition of fair market value to:
 - (A) Clarify its application to time share units located in Hawaii;
 - (B) Specify that gross daily maintenance fees also include resort fees; and
 - (C) Exclude amounts paid for optional goods and services, such as food and beverage service;
- (2) Changing the effective dates of each tax rate as follows:
 - (A) The current 7.25 percent until December 31, 2015;
 - (B) 8.25 percent from January 1, 2016, to December 31, 2016; and
 - (C) 9.25 percent from January 1, 2017, and thereafter; and
- (3) Changing its effective date to January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 169, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 169, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, Tokuda and Kouchi.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Kouchi).

Representatives Brower, Luke, Ohno and Ward.

Managers on the part of the House.

Ayes, 2. Noes, 1 (Ward). Excused, 1 (Ohno).

Conf. Com. Rep. 76 on S.B. No. 1361

The purpose of this measure is to increase transparency in the state budgeting process by:

- (1) Requiring the inclusion of program position ceilings and identification of permanent and temporary positions in the Executive and Judiciary budgets and related documents; and
- (2) Prohibiting the expenditure of funds on positions exceeding the applicable ceiling, subject to certain exceptions.

Your Committee on Conference finds that this measure will assist the Legislature in preparing more fiscally responsible budgets by ensuring that it receives accurate information. Further, this measure is intended to allow the Governor the flexibility to react quickly to pressing needs of the State by establishing civil service exempt positions in certain circumstances.

Your Committee on Conference has amended this measure by:

- (1) Inserting a new section within chapter 76, Hawaii Revised Statutes, providing that, with the approval of the Governor, the head of a department may establish and abolish any subordinate position for an employee engaged in a special, research, or demonstration project that is approved by the Governor, subject to the limitations of available appropriations, and making this section effective upon approval;
- (2) Inserting an effective date of July 1, 2016, for the rest of the measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1361, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1361, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Gabbard, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kouchi).

Representatives Nakashima, Luke, LoPresti and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (LoPresti).

Conf. Com. Rep. 77 on S.B. No. 996

The purpose of this measure is to appropriate an unspecified amount for fiscal year 2015-2016 to the State Ethics Commission to design and develop a system that allows filers to electronically file required statements and reports with the Commission.

Your Committee on Conference finds that this measure will enable the State Ethics Commission to allow filers to electronically file their required statements and reports by appropriating funds for a new electronic filing system.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$130,000 to the State Ethics Commission to design and develop an electronic filing system; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 996, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 996, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Riviere, Ihara, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Representatives San Buenaventura, Luke, Hashem and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 78 on S.B. No. 1345

The purpose of this measure is to transition public schools away from the multi-track schedule and give overpopulated schools priority for capital improvement projects in order to develop facilities to accommodate the student population.

Your Committee on Conference finds that public school multi-track schedules are not driven by educational outcomes, but by economic considerations. Generally, schools on multi-track schedules have enrollment numbers that exceed school capacity. The school population is served by grouping students on various tracks and staggering their school break schedules. This allows smaller school facilities to meet the demands of larger populations by being in constant use, but serving only a portion of the total student population at any given time. Transitioning away from this model will require a number of interventions, but will be a positive change for students, teachers, and families. Establishing a traditional school schedule in every school will also provide a time period when facilities are not in use and regular school maintenance and upgrades may be completed without disrupting instructional time.

Your Committee on Conference has amended this measure by:

- (1) Deleting language requiring the Department of Education to give priority to overpopulated schools, including multi-track schools, for capital improvement project requests made as part of its annual budget request and authorizing the Legislature to make appropriations to the Department of Education accordingly;
- (2) Inserting an appropriation of \$200,000 to the Department of Education for the development of a transition plan to end the use of multi-track schedules in public schools;

- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1345, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1345, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Tokuda, Dela Cruz, Harimoto and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Takumi, Johanson, Kong, LoPresti and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 79 on S.B. No. 374

The purpose of this measure is to expand opportunities for high school students to earn high school and college credits simultaneously by:

- (1) Broadening current law to include all dual credit programs;
- (2) Broadening eligibility to participate in the program;
- (3) Allowing for multiple measures of assessment to determine eligibility; and
- (4) Appropriating funds for the instruction, courses, and administration of college credits, thus allowing broader participation by various types of students.

Your Committee on Conference finds that students who participate in dual credit programs are more likely to attend college and are more likely to earn a degree. The dual credit initiative will alleviate some financial obstacles associated with earning college credits, and may help high school students understand that college is a possibility for them.

Your Committee on Conference has amended this measure by:

- (1) Deleting language making home-schooled high school students eligible for the dual credit program established under the Department of Education;
- (2) Deleting language mandating that student qualifications be uniform across all campuses that offer qualified courses;
- (3) Deleting language appropriating funds to provide the Department of Education with staff and resources to administer the dual credit program;
- (4) Deleting language appropriating funds to provide the University of Hawaii with staff and resources to administer the dual credit program;
- (5) Making this measure effective upon its approval; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 374, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 374, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Taniguchi, Dela Cruz, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Takumi, Ichiyama, DeCoite, Kong and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 80 on S.B. No. 92

The purpose and intent of this measure is to update the Department of Taxation's requirement to publish reports.

Specifically, this measure:

- (1) Specifies that the Department report on the Hawaii income patterns of businesses, rather than corporations, proprietorships, and partnerships;
- (2) Requires the Department to report on specific general excise tax exemptions;
- (3) Provides specific timelines for the Department to publish reports;
- (4) Requires the Department, by December 31, 2015, to report to the Legislature on the status of upgrading its forms and reporting capabilities per the implementation of the Department of Taxation's tax system modernization; and

- (5) Repeals obsolete annual reporting requirements.

Your Committee on Conference finds that pursuant to section 231-3.4, Hawaii Revised Statutes, the Department of Taxation publishes reports on tax credits and Hawaii income patterns. Your Committee on Conference believes that a reporting requirement regarding general excise tax exemptions would provide useful information to determine the effectiveness of such exemptions. Your Committee on Conference further finds that a progress report on the Department's upgrades to its forms and reporting capabilities would be valuable because the Department is in the process of modernizing its systems.

Your Committee on Conference has amended this measure by changing the effective date from July 1, 2030, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 92, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 92, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Jordan, Johanson and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 81 on S.B. No. 104

The purpose of this measure is establish a pilot project for the development of and data collection for efficiency measures intended to be included with budget documents submitted to the Legislature.

More specifically, this measure:

- (1) Requires the Director of Finance to select one state department to participate in the pilot project;
- (2) Requires the selected state department to submit at least three proposed efficiency measures to the Director of Finance;
- (3) Requires the Director of Finance to approve the efficiency measures to be used by the selected state department;
- (4) Requires the Director of Finance to submit to the Legislature a report of its findings and recommendations concerning the pilot project and efficiency measures used;
- (5) Requires the Auditor to submit to the Legislature a report evaluating the pilot project; and
- (6) Appropriates moneys to the Department of Budget and Finance for the pilot project.

Your Committee on Conference finds that the identification and use of efficiency measures can assist the State in determining realistic department functionality and can ensure that the planned investment of funds is thoroughly considered against anticipated outcomes. Your Committee on Conference believes that the establishment of a single-department based efficiency measure pilot project will provide the State with the information it needs to implement efficiency measures across all state departments in the future.

Your Committee on Conference has amended this measure by:

- (1) Inserting a \$100,000 appropriation for fiscal year 2015-2016;
- (2) Deleting the appropriation for fiscal year 2016-2017;
- (3) Adding language that specifies that any unexpended or unencumbered moneys appropriated by section 8 of this measure lapse on June 30, 2017; and
- (4) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 104, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 104, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Luke, DeCoite and Pouha.

Managers on the part of the House.

Ayes, 2. Noes, none. Excused, 1 (DeCoite).

Conf. Com. Rep. 82 on S.B. No. 105

The purpose of this measure is to require that information regarding the projected annual debt service for bonds issued to finance capital improvement projects be included in the six-year program and financial plan and budget documents submitted to the Legislature.

Your Committee on Conference finds that balancing the state budget is an intricate and time-consuming process for the Legislature. Forward-looking financial planning, including the identification and consideration of known or potential costs, is a matter of best practices in budgeting. Your Committee on Conference further finds that having additional information relating to anticipated debt service costs will allow the Legislature to make the best decisions regarding the funding of proposed capital improvement projects, agree on a balanced budget that more accurately and comprehensively reflects state costs, and better prepare for the State's fiscal future.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 105, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 105, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Kouchi).

Representatives Luke, Yamashita and Pouha.

Managers on the part of the House.

Ayes, 2. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 83 on S.B. No. 118

The purpose of this measure is to clarify the law regarding the dividends paid income tax deduction for real estate investment trusts.

More specifically, this measure:

- (1) Requires a real estate investment trust to make an affirmative election to be taxed as a real estate investment trust and provide certain information required by the Department of Business, Economic Development, and Tourism for the purposes of producing any report mandated by the Legislature; and
- (2) Requires and appropriates moneys for the Department of Business, Economic Development, and Tourism to study the impact of real estate investment trusts in Hawaii and the possible effect of repealing the dividends paid deduction for real estate investment trusts.

Your Committee on Conference finds that the tax treatment of income generated by real estate investment trusts is controversial. Your Committee on Conference presently lacks sufficient information on the economic impact of real estate investment trusts in Hawaii or tax revenues generated or avoided by these trusts to determine whether and how to amend the tax laws that apply to them. Accordingly, your Committee on Conference believes that a comprehensive study on the impact of real estate investment trusts in Hawaii is necessary before taking action on a measure that may have substantial impacts on Hawaii's economy.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that a real estate investment trust make an affirmative election to be taxed as a real estate investment trust and provide certain information required by the Department of Business, Economic Development, and Tourism for the purposes of producing any report mandated by the Legislature;
- (2) Changing the appropriation amount from an unspecified sum to \$100,000; and
- (3) Changing the effective date from July 1, 2030, to effective upon approval, except for the appropriation section, which takes effect on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 118, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 118, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz and English.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives McKelvey, San Buenaventura, Johanson, Hashem and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (San Buenaventura, McDermott).

Conf. Com. Rep. 84 on S.B. No. 250

The purpose of this measure is to clarify the state expenditure of federal funds.

More specifically, this measure:

- (1) Subjects the disbursement of federal-aid moneys to legislative appropriation or other law authorizing expenditure;
- (2) Amends the definitions of "federal aid interstate", "federal aid primary", "federal aid secondary", and "federal aid urban" in the Executive Budget Act to include funds reasonably anticipated to be received from the federal government;

- (3) Changes the definition of “federal receipts” to “federal funds” in the Executive Budget Act and includes within that definition financial aid reasonably anticipated to be received from the federal government;
- (4) Defines “unanticipated federal moneys” and allows their expenditure without an appropriation when authorized by proviso in the Budget or Supplemental Budget Act; and
- (5) Clarifies the intent that this measure applies to the Judiciary by operation of section 601-2, Hawaii Revised Statutes, and clarifies the Judiciary’s budgetary reporting requirements under that section.

Your Committee on Conference finds that this measure will promote transparency in budgeting, enhance the Legislature’s appropriation authority, and increase current and potential beneficiaries’ awareness of the availability of federal funds to improve their future budget planning efforts. Your Committee on Conference believes that the clarifications made by this measure will assist the Legislature in gaining a more accurate understanding of federal funding amounts received by state agencies. This additional information will allow the Legislature to make better assessments of agency budgets, further facilitating fiscal accountability.

Your Committee on Conference has amended this measure by changing the effective date from July 1, 2030, to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 250, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 250, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz and Slom.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Dela Cruz).

Representatives Luke, Johanson and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 85 on S.B. No. 253

The purpose of this measure is to address state debt.

Specifically, the measure:

- (1) Requires the Director of Finance to submit to the Legislature:
 - (A) A state debt management policy prior to the convening of the Regular Session of 2017; and
 - (B) A debt affordability study prior to the convening of the regular session of each odd-numbered year; and
- (2) Appropriates moneys for the preparation of the state debt management policy and the debt affordability study.

Your Committee on Conference believes that a formalized debt management policy and debt affordability study will promote both transparency in budget-making and more informed decision-making with respect to authorizations for capital improvement projects and debt issuance.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 in section 3 of the measure; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 253, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 253, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Luke, Cullen and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 86 on S.B. No. 254

The purpose of this measure is to require the Director of Finance to include the estimated operational costs of proposed capital improvement projects, and deferred maintenance costs for state-owned buildings, facilities, and other improvements, within the multi-year program and financial plan and each annual budget submitted to the Legislature.

This measure is also intended to apply to the annual budget information submitted by the Judiciary by operation of section 601-2, Hawaii Revised Statutes.

Your Committee on Conference finds that state ownership of buildings, facilities, and other improvements necessitates careful planning and prudent expenditures for operations and maintenance. Requiring the Director of Finance to provide cost estimates for the

operation of proposed capital improvements and for expenditures related to the maintenance of state-owned properties will help policy-makers better understand the financial implications of capital improvement and operational cost-saving investments.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 254, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 254, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Keith-Agaran, Chun Oakland, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Chun Oakland, Slom).

Representatives Luke, Tokioka and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 87 on S.B. No. 854

The purpose of this measure is to:

- (1) Authorize the Department of Education to enter into leaseback agreements; and
- (2) Require that public school lands be leased to lessees who shall be required to modify, construct, or utilize facilities to benefit public educational purposes.

Your Committee on Conference finds that it is important to leverage state resources when appropriate to obtain the best results for the people of Hawaii. Leaseback agreements provide opportunities for improvements to state facilities without the State losing ownership of land or facilities. Such agreements allow for flexibility in the lease process and provide the Department of Education with more options for facility construction, renovation, and expansion.

Your Committee on Conference has amended this measure by:

- (1) Making this measure effective upon its approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 854, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 854, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Tokuda, Dela Cruz, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Representatives Takumi, Yamane, Yamashita, Ohno and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 88 on S.B. No. 376

The purpose and intent of this measure is to create a farm to school program in the Department of Agriculture and to provide funding for a farm to school coordinator position to oversee the State's farm to school program.

Your Committee on Conference finds that farm to school activities support a nutritious school food environment and that more than eighty-five percent of the youth in Hawaii attend public schools. Students who participate in farm to school activities are more likely to be familiar with, have a preference for, and consume more fruits and vegetables at school and at home, thereby establishing healthy behaviors at an early age that may prevent the onset of chronic diseases and other health conditions later in life.

Your Committee on Conference also finds that Act 55, Session Laws of Hawaii 2013, encourages the purchase and use of Hawaii grown food and food products by residents, businesses, and governmental bodies. Your Committee on Conference supports increasing the procurement of local agricultural products for schools, which has the added benefit of supporting the State's local farmers and agricultural economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting one full-time equivalent (1.0 FTE) farm to school coordinator position;
- (2) Inserting an appropriation amount of \$75,000 for the farm to school coordinator position;
- (3) Changing the source of the appropriation to the agricultural development and food security special fund; and
- (4) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 376, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 376, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Kidani, Riviere, Chun Oakland and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Kidani, Slom).

Representatives Tsuji, Takumi, Onishi, Ohno and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 89 on S.B. No. 387

The purpose of this measure is to establish a task force to review and make recommendations on the University of Hawaii's executive policy on domestic violence, dating violence, sexual assault, and stalking.

Your Committee on Conference finds that affirmative consent policies adopted by hundreds of colleges and universities throughout the nation have contributed to supportive campus dialogues regarding healthy relationships and the necessity of consent in sexual activities by all parties. Your Committee on Conference further finds that these policies demonstrate a trend of growing commitment within institutions of higher education to provide safe and respectful campus environments.

Your Committee on Conference further finds that the University of Hawaii Board of Regents recently adopted a new executive policy concerning sexual harassment, sexual assault, domestic violence, dating violence, and stalking. This executive policy requires the various University of Hawaii campuses to implement a variety of comprehensive education and prevention programs and provide information and assistance for individuals who report alleged sexual harassment and sexual violence, as well as prompt and equitable complaint procedures and corrective actions capable of preventing future incidents of harassment and sexual violence.

Your Committee on Conference additionally finds that the University's new executive policy contains a definition of "affirmative consent" that is substantively similar to the definition contained in prior versions of this measure. Accordingly, language in this measure requiring the University to implement an affirmative consent policy is no longer necessary.

As such, this measure establishes an affirmative consent task force charged with reviewing and evaluating the current executive policy with particular focus on the current infrastructure, resources, and practices of the University of Hawaii. Your Committee on Conference notes that the diverse membership of this task force will help to ensure the development, adoption, and maintenance of a viable affirmative consent policy.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 387, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 387, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Shimabukuro, English, Thielen and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Ichiyama, San Buenaventura, Tokioka, Morikawa and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Tokioka).

Conf. Com. Rep. 90 on S.B. No. 40

The purpose of this measure is to:

- (1) Establish the behavior analyst program within the Department of Commerce and Consumer Affairs;
- (2) Require the licensing of behavior analysts for the practice of behavior analysis; and
- (3) Appropriate funds out of the compliance resolution fund to implement the behavior analyst program.

Your Committee on Conference finds that behavior analysts engaged in the practice of behavior analysis typically treat individuals with autism spectrum disorders. Your Committee on Conference further finds that behavior analysts are currently credentialed through the Behavior Analyst Certification Board. However, there is growing interest in licensure at the state level to protect the rights of behavior analysts to practice their discipline and increase consumer protection. Furthermore, federal requirements specify providers of services must be licensed in their profession in order to participate in Medicaid.

Accordingly, this measure addresses the urgent need for a licensing process for behavior analysts in Hawaii, thereby ensuring that these professionals can provide an appropriate level of care and be appropriately reimbursed for their services. Your Committee on Conference notes that it is imperative that the licensing of behavior analysts begin concurrently with any mandated insurance coverage for the diagnosis and treatment of autism.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the license and renewal surcharge to be paid by each behavior analyst shall be \$100;

- (2) Specifying that the registration system for behavior analysts established by this measure shall be repealed on June 30, 2021;
- (3) Inserting an appropriation amount of \$40,000 from the compliance resolution fund; and
- (4) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 40, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 40, S.D. 3, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, McKelvey, Luke, Har and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Har).

Conf. Com. Rep. 91 on S.B. No. 158

The purpose of this measure is to require that information on the State's pension and other post-employment benefit liabilities be included in the six-year program and financial plan and budget documents submitted to the Legislature.

Your Committee on Conference finds that identifying and considering both known and potential costs is part of budgeting best practices. Your Committee on Conference also finds that including pension and other-post employment benefit information in the fiscal documents submitted to the Legislature promotes transparency in state budgeting. Furthermore, the inclusion of this information in fiscal documents will allow the Legislature to develop more comprehensive, responsible, and detailed six-year financial plans and budgets.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 158, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 158, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Kouchi, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Kouchi).

Representatives Nakashima, Luke, Ichiyama and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Ichiyama).

Conf. Com. Rep. 92 on S.B. No. 1080

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (5) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (5) have been completed and have resulted in a supplemental agreement being executed regarding collective bargaining unit (5).

Your Committee on Conference has amended this measure to reflect the terms of the supplemental agreement entered into with regard to collective bargaining unit (5).

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1080, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1080, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 93 on S.B. No. 1081

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (10) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (10) have been completed and have resulted in a memorandum of agreement being executed regarding employer union health benefits trust fund contributions for collective bargaining unit (10). The Governor's office further has informed the Legislature that the State has also reached a supplemental agreement regarding employer union health benefits trust fund contributions for collective bargaining unit (1).

Your Committee on Conference has amended this measure by:

- (1) Reflecting the terms of the memorandum of agreement entered into with regard to collective bargaining unit (10) and the supplemental agreement entered into with regard to collective bargaining unit (1); and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1081, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1081, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 94 on S.B. No. 1082

The purpose of this measure is to appropriate funds for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (11) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (11) have been completed and have resulted in a memorandum of agreement regarding employer union health benefits trust fund contributions.

Your Committee on Conference has amended this measure to reflect the terms of the memorandum of agreement entered into with regard to employer union health benefits trust fund contributions for collective bargaining unit (11).

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1082, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 95 on S.B. No. 544

The purpose of this measure is to rejuvenate areas that have become dilapidated, obsolete, or deteriorated in the Kanoiehua industrial area on the Island of Hawaii by defining management policies and establishing within the Department of Land and Natural Resources, a four-year redevelopment pilot project for the Kanoiehua industrial area and adjacent public lands in south Hilo, Hawaii.

Your Committee on Conference finds that the Department of Land and Natural Resources has the responsibility of planning for the disposition of commercial, industrial, hotel, and resort classes of public lands to determine: specific use or uses; minimum size of parcels; required building construction or improvements; and lease terms and requirements.

Your Committee on Conference further finds that one of the consequences of the state law requiring that public land leases be issued pursuant to public bidding is that an existing lessee may have little incentive to make major repairs or improvements to their leasehold properties during the last five to fifteen years of the lease, which sometimes results in the deterioration of infrastructure and facilities.

Your Committee on Conference further finds that the rejuvenation of areas of public lands that have become dilapidated, obsolete, or have deteriorated over time is in the public interest and constitutes a valid public purpose.

Your Committee on Conference has amended this measure by deleting its contents and inserting provisions to:

- (1) Require the Legislative Reference Bureau to study how other select states manage end-of-term commercial leases involving public lands and to identify best practices in commercial leasing of public lands. Specifically, the Bureau will conduct a study on how other select states administer, renegotiate, re-open, extend, or otherwise dispose of long-term leases of public lands that are about to expire to determine how the respective government lessors manage, handle, or deal with leases that terminate within ten years and have lessees or tenants who are unwilling or unable to secure financing to invest capital into improvements that they cannot recoup due to the limited remaining term of the lease;

- (2) Require the Bureau to report to the Legislature prior to the Regular Session of 2016 its findings and recommendations, including proposed legislation;
- (3) Appropriate \$100,000 to the Legislative Reference Bureau to conduct the study; and
- (4) Insert an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 544, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 544, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Thielen, Gabbard, Tokuda, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Lee, Yamane, Luke, Lowen and Pouha.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 96 on S.B. No. 1090

The purpose and intent of this measure to require, rather than permit, the Employees' Retirement System to collect information from state and county departments and agencies in a required format and to penalize departments and agencies for failure to provide the required information.

The measure also requires the Employees' Retirement System to submit reports to the Legislature prior to the convening of the Regular Sessions of 2016 to 2020 on the progress of state and county departments and agencies in their efforts to comply with section 88-103.7, Hawaii Revised Statutes, as amended by this measure.

Your Committee on Conference finds that this measure will facilitate the Employees' Retirement System's efforts to more expediently collect and process member information, thereby facilitating the prompt payment of retirement benefits to government retirees and their beneficiaries.

Your Committee on Conference amended this measure by intentionally delaying the effective date until July 1, 2020, given agency concerns over compliance; provided that section 2 of the measure, which requires the Employees' Retirement System to submit progress reports to the Legislature, will remain effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1090, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1090, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Ruderman, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Nakashima, Keohokalole, LoPresti and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 97 on S.B. No. 661

The purpose of this measure is to:

- (1) Establish the Hawaii unmanned aerial systems test site Chief Operating Officer position to, among other things, serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team;
- (2) Establish an advisory board to oversee and manage unmanned aerial systems test site operations; and
- (3) Appropriate funds to staff and operate Hawaii's unmanned aerial systems test site activities.

Your Committee on Conference finds that unmanned aerial systems are an emerging technology with significant capability for commercial and national security applications. The integration of unmanned aerial systems into the national air space will generate a technological asset that is estimated to be worth more than \$13,600,000,000 during the first three years of integration and more than \$82,000,000,000 during the next ten years, and create approximately 103,776 new jobs by 2025. Implementation of this measure will provide Hawaii, a member of the Pan-Pacific Aerial Systems Test Range Complex, with an opportunity to support the development of technology that can have a substantial positive impact on the State's economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting the purpose section of the S.D. 2 version;
- (2) Requiring the Department of Business, Economic Development, and Tourism to hire, rather than establishing within the Department, a Hawaii unmanned aerial systems test site Chief Operating Officer;
- (3) Deleting language that requires the chief operating officer to be subject to chapter 84, Hawaii Revised Statutes;

- (4) Clarifying that the Chief Operating Officer may employ one administrative assistant, rather than one administrative assistant on a full-time basis;
- (5) Inserting an appropriation amount of \$150,000 for fiscal year 2015-2016 for the purpose of staffing and operating Hawaii's unmanned aerial systems test site activities;
- (6) Deleting language appropriating funds for fiscal year 2016-2017;
- (7) Inserting an effective date of July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 661, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 661, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Taniguchi, English, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Slom).

Representatives Kawakami, Johanson, Kong and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 98 on S.B. No. 1158

The purpose of this measure is to establish a special fund for the operation, maintenance, and management of the Pacific International Space Center for Exploration Systems' projects, facilities, services, and publications and for the design and construction of facilities and renovation of or addition to existing facilities.

Your Committee on Conference finds that the Pacific International Space Center for Exploration Systems was established to attract and retain aerospace investment in the State and to bridge the gap between the public and private sector in aerospace-related activities. Your Committee on Conference further finds that the Pacific International Space Center for Exploration Systems only has the ability to receive and expend funds allocated within the state budget and does not have a mechanism to receive or expend funds from any other source. Additional sources of funding would allow the organization to initiate and engage in more activities, accelerate the rate of progress on existing initiatives, and better prepare for future project needs by adding appropriate facilities.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1158, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1158, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Harimoto and Inouye.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Kawakami, Johanson, DeCoite and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 99 on S.B. No. 1211

The purpose of this measure is to:

- (1) Increase the expenditure ceiling on major disaster fund monies for immediate relief as a result of any single emergency or disaster;
- (2) Increase additional funds available for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration; and
- (3) Require the Adjutant General to report to the Legislature the purpose of any allotment or expenditure of fund monies within one month of the allotment or expenditure.

Your Committee on Conference finds that the State is vulnerable to a wide range of natural and man-made hazards that may result in emergencies or disasters that are extremely costly. The major disaster fund is used to provide immediate relief in response to an emergency or disaster in any part of the State. However, existing law provides that the Governor may expend no more than \$2,000,000 for immediate relief as a result of any single emergency or disaster and no more than \$2,000,000 to match federal disaster relief funds following a presidential disaster declaration. Implementation of this measure will authorize the Governor to expend a higher amount if required by a future emergency or disaster.

Your Committee on Conference has amended this measure by:

- (1) Increasing the expenditure ceiling on major disaster fund monies to \$5,000,000 for immediate relief as a result of any single emergency or disaster;

- (2) Increasing additional funds available for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration to \$5,000,000;
- (3) Appropriating \$1,500,000 for fiscal year 2015-2016 for deposit into the major disaster fund;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1211, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1211, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Takayama, Nishimoto, Tokioka and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 100 on S.B. No. 791

The purpose of this measure is to require accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism diagnosis and treatment.

Your Committee on Conference finds that autism spectrum disorder treatments, including applied behavior analysis, are essential and have the potential to change the lives of children with autism. Your Committee on Conference further finds that no child with autism in Hawaii should be denied proper treatment due solely to the cost of the treatment. Requiring this benefit to apply to certain qualified health plans may trigger an obligation to the State to defray the cost of such coverage in these plans. However, the largest health plan under chapter 432, Hawaii Revised Statutes, and the largest health maintenance organization under chapter 432D, Hawaii Revised Statutes, have agreed that they will not seek reimbursement from the State for providing this coverage. This will ensure that there is coverage for the benefit across all markets without a cost to the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting language that cites this measure as “Luke’s Law”;
- (2) Specifying that the coverage required by this measure applies to policies issued or renewed after January 1, 2016, and covers the insured and individuals fourteen years of age and under;
- (3) Deleting language that would have allowed the Insurance Commissioner to determine maximum benefits for applied behavioral analysis coverage;
- (4) Specifying that coverage for applied behavioral analysis shall be subject to a maximum benefit of \$25,000 per year for services for children ages thirteen years and under;
- (5) Clarifying that coverage for autism diagnosis and treatment may be subject to copayment, deductible, and coinsurance provisions of a policy that are no less favorable than the copayment, deductible, and coinsurance provisions for substantially all medical services covered by the policy;
- (6) Deleting language that would have required an insurer who requests a review of the medical necessity of a patient’s treatment for autism, except for inpatient services, to pay for the review;
- (7) Deleting language that would have required all qualified health plans to provide specific benefits even if the benefits may exceed the essential health benefits specified under section 1302(b) of the Patient Protection and Affordable Care Act of 2010 (P.L. 111-148);
- (8) Clarifying that an individual may be required to undergo repeat evaluation to remain eligible for coverage if a more recent edition of the Diagnostic and Statistical Manual of Mental Disorders is published after diagnosis;
- (9) Clarifying the definition of “autism” to mean the same as “autism spectrum disorder” as defined by the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders;
- (10) Substituting the term “habilitative services” with the term “behavioral health treatment” throughout the measure;
- (11) Inserting a savings clause;
- (12) Inserting an effective date of July 1, 2015; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 791, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 791, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker, Tokuda, Gabbard and Wakai.

Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Representatives Belatti, McKelvey, Luke, Creagan and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 101 on H.B. No. 500

PART I. OVERVIEW

Your Committee on Conference has formulated an executive budget that is fiscally responsible.

Your Committee on Conference has approved a Conference Draft of the executive budget that reduces the operating budget request submitted by the Administration. The Conference Draft appropriates an additional \$727,178,791 in all funds, inclusive of \$395,540,582 in general funds, for fiscal year 2015-2016 and \$1,149,257,629 in all funds, inclusive of \$645,050,581 in general funds, for fiscal year 2016-2017.

The following table displays the net change to the Administration's budget request as a result of the Conference Draft amendments.

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Request (Including Governor's Messages #1 & #2)	\$827,028,644	\$406,705,343	\$1,338,143,919	\$731,301,168
Conference Draft Change To Executive Request	(\$99,849,853)	(\$11,164,761)	(\$188,886,290)	(\$86,250,587)
Net Change	\$727,178,791	\$395,540,582	\$1,149,257,629	\$645,050,581

The net change of the Conference Draft results in an executive budget for fiscal biennium 2015-2017 as follows:

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Budget Act 134, SLH 2013, As Amended By Act 122, SLH 2014	\$12,147,239,877	\$6,189,204,272	\$12,147,239,877	\$6,189,204,272
Net Change Of Conference Draft	\$727,178,791	\$395,540,582	\$1,149,257,629	\$645,050,581
Total Appropriation	\$12,874,418,668	\$6,584,744,854	\$13,296,497,506	\$6,834,254,853

PART II. OPERATING BUDGET

Agriculture

The Conference Draft of the executive budget adjusts the Department of Agriculture's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$612,255 in general funds and \$2,106,930 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$417,761 in general funds and \$1,753,866 in non-general funds.

The Administration's request was to add \$148,638 in general funds and \$1,556,930 in non-general funds for fiscal year 2015-2016 and \$471,444 in general funds and \$1,803,866 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$500,000 in revolving funds for fiscal year 2015-2016 for a central Oahu land swap study;
- (2) Adding \$250,000 in special funds for fiscal year 2015-2016 for prevention and treatment of macadamia felted coccid; and
- (3) Adding 4.00 positions and \$43,812 in general funds and \$66,594 in revolving funds for fiscal year 2015-2016 and \$87,624 in general funds and \$133,188 in revolving funds for fiscal year 2016-2017 for pesticide use and surveillance activities.

Accounting and General Services

The Conference Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$12,962,148 in general funds and \$442,441 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$12,683,704 in general funds and \$10,925,364 in non-general funds.

The Administration's request was to add \$7,250,618 in general funds and reduce \$9,757,559 in non-general funds for fiscal year 2015-2016 and add \$8,464,174 in general funds and reduce \$5,954,636 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding the following for executive branch information technology and business system improvements or modernization: \$6,100,000 in general funds and \$10,200,000 in non-general funds for fiscal year 2015-2016 and \$5,500,000 in general funds and \$16,880,000 in non-general funds for fiscal year 2016-2017;
- (2) Adding \$3,900,000 for fiscal year 2015-2016 and \$3,975,000 for fiscal year 2016-2017 in general funds for collocation and carrier circuit costs for redundant connectivity; and
- (3) Adding \$545,600 in general funds for each fiscal year for replacement of motor vehicles.

Attorney General

The Conference Draft of the executive budget adjusts the Department of the Attorney General's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,865,842 in general funds and \$6,233,459 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,895,759 in general funds and \$6,877,160 in non-general funds.

The Administration's request was to add \$2,749,842 in general funds and \$6,934,091 in non-general funds for fiscal year 2015-2016 and \$2,995,759 in general funds and \$6,927,792 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$380,000 in general funds for fiscal year 2015-2016 for statewide sexual assault services;
- (2) Adding \$700,000 in revolving funds for each fiscal year for the criminal history record improvement program; and
- (3) Adding \$500,000 in general funds for each fiscal year for vacancy savings reductions.

Business, Economic Development, and Tourism

The Conference Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$927,101 in general funds and \$52,800,594 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$385,932 in general funds and \$52,510,038 in non-general funds.

The Administration's request was to add \$1,195,891 in general funds and \$96,877,317 in non-general funds for fiscal year 2015-2016 and \$904,988 in general funds and \$96,662,436 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$50,000,000 in trust funds for each fiscal year for the rental housing trust fund;
- (2) Adding \$1,000,000 in special funds for each fiscal year for the Hawaii Green Infrastructure Authority; and
- (3) Adding \$250,000 in general funds for fiscal year 2015-2016 for the Beijing and Taipei state offices.

Budget and Finance

The Conference Draft of the executive budget adjusts the Department of Budget and Finance's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$171,941,167 in general funds and reducing \$13,898,198 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$406,944,063 in general funds and reducing \$11,472,825 in non-general funds.

The Administration's request was to add \$171,965,779 in general funds and reduce \$13,853,279 in non-general funds for fiscal year 2015-2016 and to add \$406,945,887 in general funds and reduce \$11,388,326 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Making payments of \$163,615,000 in general funds for fiscal year 2015-2016 and \$245,812,000 in general funds for fiscal year 2016-2017 to pre-fund other post-employment benefit obligations of the State;
- (2) Adding \$18,790,387 in general funds and \$2,134,819 in non-general funds for fiscal year 2015-2016 and \$36,045,294 in general funds and \$3,921,267 in non-general funds for fiscal year 2016-2017 for collective bargaining increases for University of Hawaii Professional Assembly members; and
- (3) Adding \$4,642,426 for fiscal year 2015-2016 and \$58,766,586 for fiscal year 2016-2017 in general funds for debt service payments for the State, Department of Education, and University of Hawaii.

Commerce and Consumer Affairs

The Conference Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$23,288,883 in special funds and reducing \$1,965,318 in trust funds; and
- (2) For fiscal year 2016-2017, by adding \$22,158,824 in special funds and reducing \$1,949,263 in trust funds.

The Administration's request was to add \$24,866,981 in special funds and reduce \$1,965,318 in trust funds for fiscal year 2015-2016 and to add \$22,993,713 in special funds and reduce \$1,949,263 in trust funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$3,562,861 for fiscal year 2015-2016 and \$731,721 for fiscal year 2016-2017 in special funds for the Public Utilities Commission's office expansion and renovation;
- (2) Adding \$258,211 for fiscal year 2015-2016 and \$516,940 for fiscal year 2016-2017 in special funds for mortgage loan originator and service regulation support; and
- (3) Adding \$110,000 in trust funds for both fiscal years for mortgage loan claims and miscellaneous contingency expenses.

Department of Defense

The Conference Draft of the executive budget adjusts the Department of Defense's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$109,134 in general funds and reducing \$180,896 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$1,087,732 in general funds and reducing \$1,333,181 in non-general funds.

The Administration's request was to reduce \$659,561 in general funds and \$160,207 in non-general funds for fiscal year 2015-2016 and \$1,074,642 in general funds and \$1,250,855 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$778,000 in general funds and \$1,636,720 in other federal funds for fiscal year 2015-2016 for the Veteran's Cemetery;
- (2) Adding \$216,184 in general funds and \$588,973 in other federal funds for fiscal year 2015-2016 and \$338,715 in general funds and \$935,480 in other federal funds for fiscal year 2016-2017 for the Hawaii Air National Guard Campus; and
- (3) Adding \$49,190 for fiscal year 2015-2016 and \$95,000 for fiscal year 2016-2017 in general funds for the Office of Homeland Security.

Department of Education

The Conference Draft of the executive budget adjusts the Department of Education's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$137,093,408 in general funds and adding \$2,158,605 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$142,768,946 in general funds and reducing \$837,744 in non-general funds.

The Administration's request was to add \$124,172,455 in general funds and reduce \$8,342,023 in non-general funds for fiscal year 2015-2016 and to add \$151,716,321 in general funds and reduce \$11,338,372 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$2,401,808 in general funds for fiscal year 2015-2016 and \$5,000,000 in general funds for fiscal year 2016-2017 for the weighted student formula;
- (2) Adding \$3,600,000 in general funds for each fiscal year for teacher recruitment and retention for hard-to-fill incentive;
- (3) Adding \$2,000,000 in general funds for fiscal year 2015-2016 for skilled nursing services to students;
- (4) Adding \$7,403,261 in general funds for fiscal year 2015-2016 for school bus contracts; and
- (5) Adding \$5,123,726 in general funds for fiscal year 2015-2016 for school food service programs.

Hawaii State Public Library System

The Conference Draft of the executive budget adjusts the Hawaii State Public Library System's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,515,306 in general funds and adding \$375,000 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,795,689 in general funds and adding \$375,000 in non-general funds.

The Administration's request was to add \$3,054,586 in general funds and \$375,000 in non-general funds for fiscal year 2015-2016 and to add \$3,293,211 in general funds and \$375,000 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$647,400 in general funds for fiscal year 2015-2016 and \$319,048 in general funds for fiscal year 2016-2017 for the new Nanakuli library; and
- (2) Adding \$21,906 in general funds for fiscal year 2015-2016 and \$43,812 in general funds for fiscal year 2016-2017 for a librarian for the new bookmobile at Wailuku library.

Charter Schools

The Conference Draft of the executive budget adjusts the Charter Schools' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$10,067,055 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$10,044,949 in general funds.

The Administration's request was to add \$5,693,796 in general funds for fiscal year 2015-2016 and add \$6,615,134 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$7,203,312 in general funds for fiscal year 2015-2016 and \$6,049,313 in general funds for fiscal year 2016-2017 for the per pupil adjustment; and
- (2) Adding \$1,400,000 in general funds and \$415,700 in federal funds for each fiscal year for the Charter School Commission's new program ID.

Early Learning Program

The Conference Draft of the executive budget adjusts the Early Learning Program's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$378,970 in general funds and adding \$125,628 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$377,134 in general funds and adding \$125,628 in non-general funds.

The Administration's request was to reduce \$153,720 in general funds and add \$125,628 in non-general funds for fiscal year 2015-2016 and to reduce \$148,360 in general funds and add \$125,628 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding forty-nine permanent positions for the Early Learning program; and
- (2) Transferring in from the Governor's Office a temporary Director for Early Learning.

Office of the Governor

The Conference Draft of the executive budget adjusts the Office of the Governor's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$384,047 in general funds and reducing \$122,502 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$68,394 in general funds and reducing \$122,502 in non-general funds.

The Administration's request was to add \$482,737 in general funds and reduce \$122,502 in federal funds for fiscal year 2015-2016 and to add \$602,155 in general funds and reduce \$122,502 in federal funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$300,000 in general funds for fiscal year 2015-2016 for the Office of Military Affairs and Grant Maximization; and
- (2) Adding \$200,000 in general funds for fiscal year 2015-2016 for computer equipment, National Governor's Association fees, and subscriptions.

Health

The Conference Draft of the executive budget adjusts the Department of Health's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$31,099,415 in general funds and adding \$47,237,331 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$35,445,585 in general funds and adding \$56,434,971 in non-general funds.

The Administration's request was to add \$33,425,787 in general funds and \$63,211,668 in non-general funds for fiscal year 2015-2016 and \$41,556,898 in general funds and \$68,661,239 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,752,000 for each fiscal year in general funds for security guard services for the Hawaii State Hospital;
- (2) Adding \$1,419,099 for each fiscal year in general funds for the state match for the home and community-based services waiver; and
- (3) Adding 4.00 positions and \$40,812 in general funds and \$62,034 in interdepartmental transfer funds for fiscal year 2015-2016 and \$84,912 in general funds and \$129,066 in interdepartmental transfer funds for fiscal year 2016-2017 for increased vector control surveillance at state ports.

Your Committee on Conference also notes that this measure changes the means of financing for thirty-one currently filled positions from the Environmental Response Revolving Fund to the general fund. Your Committee on Conference finds that the Environmental Response Revolving Fund generates insufficient revenues to pay for its personal services and other expenses, including responses to hazardous waste and pollutant or contaminant releases into the environment. Thus, your Committee on Conference has chosen to support the program by providing general funds for currently filled positions and allowing revolving funds to be used for removal, remediation, and other emergency actions necessary to protect the public health and environment. Your Committee on Conference intends that hereafter no positions shall be financed from the Environmental Response Revolving Fund.

Your Committee on Conference has eliminated ten vacant positions that are currently financed from the Environmental Response Revolving Fund. Your Committee on Conference requests the Administration to determine whether any of those positions should be financed with general funds and, if so, to propose in the 2016 supplemental budget the inclusion of general fund appropriations for the positions for fiscal year 2016-2017. If submitted, your Committee on Conference intends to evaluate the request to determine if any of the positions should be re-established and financed with general funds.

Your Committee on Conference notes that S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, repeals the allocation of thirty-five percent of the moneys in the Hawaii Tobacco Settlement Special Fund to certain programs of the Department of Health. To complement that action,

your Committee on Conference in this measure has changed the means of financing for programs and positions currently funded by moneys from the special fund. S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, appropriates general funds to replace the moneys that no longer will be allocated from the Hawaii Tobacco Settlement Special Fund. Your Committee on Conference emphasizes its intent that the general fund appropriation in S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, be used to fund the programs and positions, the means of financing for which has been changed from special funds to general funds. In particular, your Committee on Conference intends that the positions continue to be funded seamlessly when the change of means of financing takes effect.

Hawaii Health Systems Corporation

The Conference Draft of the executive budget adjusts the Hawaii Health Systems Corporation's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$16,000,000 in general funds and \$33,043,636 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$5,000,000 in general funds and by adding \$38,986,574 in non-general funds.

This appropriation is in addition to the \$15,000,000 emergency appropriation approved in S.B. No. 1117, S.D. 2, H.D. 1, C.D. 1, for the current fiscal year 2014-2015 for the Hawaii Health Systems Corporation.

Department of Human Resources Development

The Conference Draft of the executive budget adjusts the Department of Human Resources Development's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$882,077 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,091,425 in general funds.

The Administration's request was to add \$682,077 in general funds for fiscal year 2015-2016 and \$891,425 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget also adds \$200,000 in general funds for each fiscal year for the in-service training and program effectiveness project for state employees.

Human Services

The Conference Draft of the executive budget adjusts the Department of Human Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$23,954,695 in general funds and adding \$290,107,131 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,278,888 in general funds and adding \$361,383,513 in non-general funds.

The Administration's request was to reduce \$7,160,050 in general funds and to add \$308,889,132 in non-general funds for fiscal year 2015-2016 and to add \$37,529,998 in general funds and \$401,135,623 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$2,600,000 in general funds for each fiscal year for general assistance payments;
- (2) Adding \$3,000,000 in general funds for fiscal year 2015-2016 for Hawaii Public Housing Authority state family and state elderly housing facilities; and
- (3) Adding \$2,485,080 in general funds and \$2,914,902 in federal funds for fiscal year 2015-2016 for Medicaid recipients through the age of six with an autism spectrum disorder.

Labor and Industrial Relations

The Conference Draft of the executive budget adjusts the Department of Labor and Industrial Relations' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,976,818 in general funds and adding \$2,572,992 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$807,272 in general funds and adding \$3,515,962 in non-general funds.

The Administration's request was to add \$363,126 in general funds and add \$2,617,992 in non-general funds for fiscal year 2015-2016 and add \$817,200 in general funds and add \$3,565,962 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$905,000 in general funds for fiscal year 2015-2016 for the business optimization and modernization project;
- (2) Adding 1.00 position and \$450,000 in general funds for both fiscal years for implementation of the federal Workforce Innovation and Opportunity Act; and
- (3) Adding 1.00 position and \$30,295 for fiscal year 2015-2016 and adding \$51,289 for fiscal year 2016-2017 in general funds for prepaid health care plan and temporary disability plan reviews.

Land and Natural Resources

The Conference Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$1,456,137 in general funds and reducing \$16,802,456 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,002,491 in general funds and reducing \$24,143,911 in non-general funds.

The Administration's request was to add \$6,974,346 in general funds and \$6,206,976 in non-general funds for fiscal year 2015-2016 and to add \$6,765,415 in general funds and reduce \$1,051,853 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,000,000 in special funds for both fiscal years for the State Parks Division;
- (2) Adding \$250,000 for fiscal year 2015-2016 and \$500,000 for fiscal year 2016-2017 in special funds for the digitization of microfilm archives for the Bureau of Conveyances; and
- (3) Adding 2.00 positions and \$217,033 for fiscal year 2015-2016 and \$270,747 for fiscal year 2016-2017 in special funds for the Historic Preservation Division.

Your Committee notes that S.B. No. 1299, H.D. 1, C.D. 1, repeals the distribution of the conveyance tax to the Natural Area Reserve Fund. To complement that action, your Committee on Conference in this measure has reduced the ceiling for that special fund and changed the method of financing for positions currently funded by the Natural Area Reserve Fund. S.B. No. 1299, H.D. 1, C.D. 1, appropriates general funds to replace the conveyance tax revenues that no longer will be distributed to the Natural Area Reserve Fund.

Your Committee on Conference emphasizes its intent that the general fund appropriation in S.B. No. 1299, H.D. 1, C.D. 1, be used to fund the positions, the means of financing for which has been changed from special funds to general funds. Your Committee on Conference requests the Administration to propose in the 2016 supplemental budget the inclusion of general fund appropriations for the positions for fiscal year 2016-2017. Upon receipt of the budget proposal, your Committee on Conference intends that the Legislature then re-commence funding those positions, as well as other programs formerly funded with conveyance tax revenues, in that supplemental appropriations act and subsequent general and supplemental appropriations acts.

Office of the Lieutenant Governor

The Conference Draft of the executive budget adjusts the Office of the Lieutenant Governor's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$50,676 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$80,793 in general funds.

The Administration's request was to add \$142,676 in general funds for fiscal year 2015-2016 and \$172,793 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$100,000 in general funds for each fiscal year for the Open Data program; and
- (2) Adding \$50,000 in general funds for each fiscal year for travel and protocol expenses.

Public Safety

The Conference Draft of the executive budget adjusts the Department of Public Safety's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$20,704,097 in general funds and \$2,317,761 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$24,837,344 in general funds and \$2,365,344 in non-general funds.

The Administration's request was to add \$20,572,097 in general funds and \$2,386,184 in non-general funds for fiscal year 2015-2016 and \$26,214,624 in general funds and \$2,433,767 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$3,164,155 for fiscal year 2015-2016 and \$2,741,454 for fiscal year 2016-2017 in general funds for inmate relocation costs associated with the Halawa Correctional Facility repair and improvement project;
- (2) Adding \$1,969,338 for fiscal year 2015-2016 and \$2,133,699 for fiscal year 2016-2017 in general funds for food supply replacement and religious food requests; and
- (3) Adding \$1,117,474 in general funds for each fiscal year for full year's salaries for positions in various programs.

Taxation

The Conference Draft of the executive budget adjusts the Department of Taxation's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$1,730,785 in general funds and \$15,229 in special funds; and
- (2) For fiscal year 2016-2017, by adding \$1,929,658 in general funds and \$21,222 in special funds.

The Administration's request was to add \$1,885,785 in general funds and \$15,229 in special funds for fiscal year 2015-2016 and \$1,929,658 in general funds and \$21,222 in special funds for fiscal year 2016-2017.

Transportation

The Conference Draft of the executive budget adjusts the Department of Transportation's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$48,081,836 in special funds and adding \$1,020,566 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$36,517,353 in special funds and adding \$924,977 in non-general funds.

The Administration's request was to reduce \$42,946,998 in special funds and add \$1,020,566 in non-general funds for fiscal year 2015-2016 and to add \$45,589,453 in special funds and \$924,977 in all federal funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$921,000 in each fiscal year in special funds for the Oahu zipper lane;
- (2) Adding 7.00 positions and \$1,093,783 for fiscal year 2015-2016 and \$497,206 for fiscal year 2016-2017 in special funds for the Daniel K. Inouye Highway Baseyard;
- (3) Adding 7.00 positions and \$1,283,648 for fiscal year 2015-2016 and \$1,582,430 for fiscal year 2016-2017 in special funds for an environmental section for the Maui Highways District Office; and
- (4) Adding \$256,000 for fiscal year 2015-2016 and \$203,000 for fiscal year 2016-2017 in special funds for motor vehicle replacement at Lihue Airport.

University of Hawaii

The Conference Draft of the executive budget adjusts the University of Hawaii's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$17,918,438 in general funds and reducing \$51,423,736 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$18,637,086 in general funds and reducing \$51,340,397 in non-general funds.

The Administration's request was to add \$17,918,438 in general funds and reduce \$51,423,736 in non-general funds for fiscal year 2015-2016 and to add \$18,637,086 in general funds and reduce \$51,340,397 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,139,182 in general funds for each fiscal year for the Violence Against Women Act and Title IX costs; and
- (2) Adding \$6,360,818 in general funds for each fiscal year as a lump sum to the University of Hawaii for systemwide support.

PART III. CAPITAL IMPROVEMENTS PROGRAM BUDGET

Your Committee on Conference finds that capital improvement projects play a vital role in rebuilding our economy and strengthening our social infrastructure.

After carefully considering the many needs facing the State, your Committee on Conference has provided a total of \$640,617,000 for fiscal year 2015-2016 and \$188,504,000 for fiscal year 2016-2017 for projects funded by general obligation bonds and \$1,566,234,000 for fiscal biennium 2015-2017 for projects funded by all other means of financing.

Included in this measure are projects for the following:

- (1) Health, safety, and code requirements for the Department of Agriculture, totaling \$1,900,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (2) Lump sum maintenance for existing facilities for the Department of Accounting and General Services, totaling \$24,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (3) Rental Housing Trust Fund capital infusion to expand affordable housing statewide, totaling \$40,000,000 in general obligation bond funds for fiscal year 2015-2016;
- (4) Funding to support the construction of a long-term care facility for veterans, totaling \$25,384,000 in general obligation bond funds that will provide the state match for an additional \$37,429,000 in federal funds;
- (5) Lump sum condition, capacity, equity, program support, and project positions for the Department of Education schools, totaling \$258,768,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (6) Funding to support repair and maintenance for Hawaii public housing, totaling \$10,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (7) Lump sum repair and maintenance for the Department of Public Safety, totaling \$21,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium; and
- (8) Support for repair and maintenance at University of Hawaii campuses, including \$10,000,000 in general obligation bond funds for community colleges and \$44,430,000 in general obligation bond funds for University of Hawaii systemwide support.

Your Committee on Conference has also provided funding for dozens of other projects for deferred maintenance and health and safety, including appropriations to the Department of Defense; Department of Hawaiian Home Lands; Department of Land and Natural Resources; and Department of Business, Economic Development, and Tourism, among others.

Additionally, your Committee on Conference believes that investment in airports, harbors, and highways is necessary to address the continued influx of visitors, the efficient transport of goods within and without the State, and the day-to-day needs of our residents. Your Committee on Conference has demonstrated its commitment to transportation projects by appropriating, for fiscal biennium 2013-2015, \$1,408,319,000 for the Department of Transportation, including \$376,965,000 for state highways on every island.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 500, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 500, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi, Chun Oakland, Dela Cruz, English, Galuteria, Harimoto, Inouye, Riviere and Ruderman.

Managers on the part of the Senate.

Ayes, 8. Noes, none. Excused, 2 (Riviere, Ruderman).

Representatives Luke, Cachola, Cullen, DeCoite, Johanson, Jordan, Keohokalole, Kobayashi, Lowen, Nishimoto, Onishi, Tokioka, Yamashita, Pouha and Ward.

Managers on the part of the House.

Ayes, 15. Noes, none. Excused, none.

Conf. Com. Rep. 102 on H.B. No. 290

The purpose of this measure is to appropriate funds for the operating budget and capital improvement program budget of the Judiciary for the 2015-2017 fiscal biennium.

Your Committee on Conference approves \$341,556 in general funds in fiscal year 2015-2016 and \$701,052 in general funds in fiscal year 2016-2017 for the scheduled pay increase to judges as recommended by the 2013 Commission on Salaries.

Your Committee on Conference has provided positions and funding that support the specialty courts of the Judiciary, including:

- (1) 9.00 positions and \$50,934 in general funds in fiscal year 2015-2016 and \$96,168 in general funds in fiscal year 2016-2017 for Hale Ho'omalulu Juvenile Detention Facility to provide continued support for our youth;
- (2) 1.00 position and \$67,323 in general funds in fiscal year 2015-2016 and \$106,116 in general funds in fiscal year 2016-2017 for the Veterans Court to supplant expiring federal grant money; and
- (3) \$600,000 in fiscal year 2015-2016 for purchase of service contracts for civil legal services.

Your Committee on Conference provided \$55,000,000 in fiscal year 2015-2016 for the new judiciary complex in Kona.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 290, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 290, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Luke, San Buenaventura and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 103 on H.B. No. 73

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds to finance capital improvement projects authorized in appropriation measures of the Executive Branch and the Judiciary; and
- (2) Make a declaration of findings with respect to the authorizations for the bonds as required under the Hawaii State Constitution.

Article VII, section 13, of the Constitution of the State of Hawaii requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare that the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance.

Your Committee on Conference has amended this measure by:

- (1) Inserting the appropriate dollar amounts throughout the measure as provided by the Department of Budget and Finance;
- (2) Updating dates cited in the measure;
- (3) Changing its effective date to upon approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 73, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 73, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Luke, Nishimoto and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 104 on H.B. No. 209

The purpose of this measure is to appropriate funds for the operating costs of the Office of Hawaiian Affairs (OHA) for fiscal biennium 2015-2017.

Your Committee on Conference recognizes the significance of the services and advocacy that OHA provides its beneficiaries and acknowledges the need to ensure that OHA has sufficient resources to continue these services.

Your Committee on Conference has provided \$500,000 in general funds and \$500,000 in trust funds in each fiscal year.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 209, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 209, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Tokuda, Galuteria, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Ing, Luke, Keohokalole and Pouha.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 105 on H.B. No. 1069

The purpose of this measure is to move Hawaii towards a more diversified economy, assist small businesses conducting innovative research with their efforts toward commercialization, and promote manufacturing in Hawaii by, among other things:

- (1) Adding the receipt of Phase II or III Small Business Innovation Research awards or contracts from any participating federal agency to the qualifying criteria for businesses to receive grants from the High Technology Development Corporation;
- (2) Appropriating funds for the Department of Business, Economic Development, and Tourism to provide grants and loans through the High Technology Development Corporation;
- (3) Establishing the Hawaii Manufacturing Capital Grant Program to provide grants to manufacturers for expenses relating to equipment, planning for new facilities, and training programs; and
- (4) Appropriating funds to the High Technology Development Corporation for the Hawaii Manufacturing Capital Grant Program.

Since 1989, the High Technology Development Corporation has been assisting Phase I Small Business Innovation Research award recipients to reach their commercial potential through the provision of grants. This has proven to be successful for both the businesses awarded a grant and the State: every dollar invested through this grant program has been leveraged to attract approximately \$20 in federal funds as well as additional commercialization funding. Your Committee on Conference finds that expanding the scope of the grant program will allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Additionally, your Committee on Conference finds that there is a great need for Hawaii to develop and support manufacturing in the State. The lack of available resources and the overuse of obsolete equipment have had a detrimental effect on the market competitiveness of Hawaii businesses. Your Committee on Conference believes that it is incumbent upon the State to ease the financial burdens facing particular businesses that will work to ensure the long-term financial and economic sustainability of the State. However, your Committee on Conference notes that another measure currently moving through the conference process will assist manufacturing businesses and accomplish this goal.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$2,000,000 for Fiscal Year 2015-2016 to provide grants and loans for phase II and III awardees;
- (2) Deleting language that would have established the Hawaii Manufacturing Capital Grant Program and appropriated funds for the Program;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1069, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1069, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Kouchi, Dela Cruz, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Representatives Kawakami, Luke, Kong and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 106 on H.B. No. 241

The purpose of this measure is to support the development of a renewable and efficient energy system in the state by extending, from June 30, 2015, to June 30, 2020, the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning LLC in financing the design and construction of a seawater air conditioning district cooling system on Oahu.

Your Committee on Conference notes that, over the years, the Legislature has authorized the issuance of millions of dollars in special purpose revenue bonds for the downtown Honolulu seawater air conditioning project. However, disruptions in the financial markets and permitting and regulatory reviews that took longer than expected have delayed the sale of these special purpose revenue bonds. Your Committee on Conference finds that extending the authorization to issue special purpose revenue bonds for this project is in the best environmental and economic interest of the state and is an important element in providing economically feasible project financing for Honolulu Seawater Air Conditioning.

However, your Committee on Conference notes that, as currently drafted, the time period authorizing the issuance of special purpose revenue bonds for Honolulu Seawater Air Conditioning LLC exceeds the five-year statutory limitation on the issuance of such bonds. Accordingly, your Committee on Conference has amended this measure by amending the date by which the authorization to issue the special purpose revenue bonds will lapse from June 30, 2020, to June 26, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 241, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 241, S.D. 1, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Gabbard, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Kawakami, Lowen, Kong and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 107 on H.B. No. 242

The purpose of this measure is to support the development of a renewable and efficient energy system in the State by extending, from June 30, 2015, to June 30, 2020, the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning LLC, in financing the design and construction of a seawater air conditioning district cooling system on Oahu.

Your Committee on Conference notes that, over the years, the Legislature has authorized the issuance of millions of dollars in special purpose revenue bonds for the downtown Honolulu seawater air conditioning project. However, disruptions in the financial markets and longer than expected permitting and regulatory reviews have delayed the sale of these special purpose revenue bonds. Your Committee on Conference finds that extending the authorization to issue special purpose revenue bonds for this project is in the best environmental and economic interest of the State and is an important element in providing economically feasible project financing for Honolulu Seawater Air Conditioning LLC.

However, your Committee on Conference notes that, as currently drafted, the authorized time period for the issuance of special purpose revenue bonds exceeds the five-year statutory limitation on the issuance of such bonds. Accordingly, your Committee on Conference has amended this measure by amending the date by which the authorization to issue the special purpose revenue bonds will lapse from June 30, 2020, to June 27, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 242, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 242, S.D. 1, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Gabbard, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Kawakami, Lowen, Kong and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 108 on H.B. No. 1343

The purpose of this measure is to improve economic recovery in Hawaii after a natural disaster, particularly for businesses, by appropriating funds to meet the matching requirement for federal funds awarded to establish a Business Recovery Center within the Department of Defense.

A business recovery center is an online website where businesses and government agencies collaborate before, during, and after a natural disaster. Some of the activities of a business recovery center include distributing federal disaster program information, establishing information channels to allow the private sector to access information including the status of utilities and roads, allowing the private sector to post information about operating hours during and after disasters, and acting as a portal to post requests for proposals so local businesses can bid on contracts during and after disasters.

Your Committee on Conference finds that the establishment of a business recovery center in Hawaii would help businesses, their employees, and the overall economy of Hawaii recover after a natural disaster.

Your Committee on Conference also notes that the appropriation authorized by this measure for the establishment of a business recovery center within the Department of Defense is necessary to receive a federal match of \$1,159,000 for this initiative.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$328,000 for fiscal year 2015-2016 for the establishment of a business recovery center within the Department of Defense; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1343, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1343, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Espero, Harimoto, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Espero, Slom).

Representatives Kawakami, Takayama, Keohokalole, Kong, San Buenaventura and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 2 (Kong, Ward).

Conf. Com. Rep. 109 on H.B. No. 1292

The purpose of this measure is to increase transparency and accountability in state contracts by continuing the work of the Procurement Task Force to study the cost impacts that the procurement process has had for public works construction projects and examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county governments.

Your Committee on Conference finds that directing the Procurement Task Force to study the cost impacts that the procurement process has had on public works construction projects as well as to examine the issue of past performance and establish the factors that should be considered as part of due diligence when evaluating a contractor's past performance for the purpose of awarding a contract will promote efficiency, effectiveness, and impartiality in the procurement of public works contracts.

Your Committee on Conference has amended this measure by:

- (1) Correcting a reference to a member of the task force, the Hawaii Building and Construction Trades Council, to reflect the Council's affiliation with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO);
- (2) Deleting reference to the AFL-CIO as a separate member of the task force;
- (3) Deleting the provision allowing for the Comptroller to appoint all other persons as applicable to the task force;
- (4) Changing its effective date to July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1292, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1292, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Riviere, Slom).

Representatives Kawakami, Jordan, Kobayashi, Kong and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Kobayashi, Ward).

Conf. Com. Rep. 110 on H.B. No. 174

The purpose of this measure is to promote accessibility to quality health care procedures in the State by requiring health insurance coverage for medically necessary orthodontic treatment of orofacial anomalies.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that coverage of medically necessary orthodontic services for the treatment of orofacial anomalies resulting from birth defects or birth defect syndromes shall be paid for by medical insurance;
- (2) Changing the effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 174, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 174, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker and English.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, McKelvey, Kobayashi, Takayama and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 111 on H.B. No. 448

The purpose of this measure is to:

- (1) Amend the multidisciplinary and multiagency review process for domestic violence fatalities to also require the review of near-deaths and suicides;
- (2) Authorize the Department of Health to enter into Memoranda of Understanding with relevant government agencies and branches to obtain information relating to near-deaths resulting from intimate partner violence;
- (3) Require that the information collected and recommendations derived from the review process be compiled for use in system reform efforts relating to the reduction of preventable deaths, near-deaths, and suicides resulting from domestic violence;
- (4) Establish the Address Confidentiality Program within the Department of the Attorney General to, among other things, keep the actual address of a relocated victim of domestic violence, a sexual offense, or stalking confidential and prevent the victim's assailants or potential assailants from finding the victim through public records; and
- (5) Appropriate funds to implement the Address Confidentiality Program and to establish one full-time position to assist in implementing the program.

Your Committee on Conference has amended this measure by:

- (1) Deleting the Address Confidentiality Program and the appropriation of funds to implement the program;
- (2) Changing the effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 448, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 448, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Keith-Agaran, Tokuda, Thielen and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Representatives Belatti, San Buenaventura, DeCoite, Morikawa and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 112 on H.B. No. 581

The purpose of this measure is to:

- (1) Continue the Hospital Sustainability Program by extending the program for an additional year;
- (2) Update and clarify language regarding payments and reimbursements from the Hospital Sustainability Program Special Fund (Special Fund) and liability for the Hospital Sustainability Fee;
- (3) Reduce the inpatient Hospital Sustainability Fee to be 1.892 percent of net inpatient hospital service revenue;
- (4) Increase the amount of direct payments from the Special Fund to \$88,000,000 for private hospitals to cover uncompensated care costs and specify an upper payment limit payment amount of \$3,975,442 for designated Level II trauma centers;
- (5) Specify that eligible hospitals shall receive payments from the Special Fund based on their Medicaid utilization; and
- (6) Appropriate \$50,000,000 from the Special Fund to the Hospital Sustainability Program for fiscal year 2015-2016.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 581, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 581, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Chun Oakland, English, Harimoto and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Kobayashi, Creagan and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 113 on H.B. No. 943

The purpose of this measure is to:

- (1) Establish the Civil Monetary Penalty Special Fund (Special Fund) for the deposit of federal civil monetary penalties collected by the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS) when Medicaid-certified health care facilities or agencies do not meet Medicare certification requirements;
- (2) Require the Department of Health (Department) to submit a report to the Legislature prior to the convening of each regular session regarding the status of the Special Fund; and
- (3) Appropriate funds to the Department for purposes approved by CMS.

Your Committee on Conference has amended this measure by appropriating \$30,000 for fiscal year 2015-2016 and \$15,000 for fiscal year 2016-2017 out of the Special Fund for purposes approved by CMS.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 943, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 943, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs and Senate President on behalf of the Committee.

Senators Green, Chun Oakland and Inouye.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, Kobayashi, Jordan and Fukumoto Chang.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Fukumoto Chang).

Conf. Com. Rep. 114 on H.B. No. 782

The purpose of this measure is to raise awareness of the cytomegalovirus, which causes birth defects and childhood disability, by:

- (1) Requiring the Department of Health to establish a working group to develop a Public Education Program to inform and educate pregnant women and women who may become pregnant about cytomegalovirus, and to inform and educate health care providers who may be responsible for screening, testing, diagnosing, and treating pregnant mothers or newborns with cytomegalovirus;
- (2) Requiring the working group to submit a report on the development, implementation, and funding of the public education program; and
- (3) Making an appropriation to support the working group.

Your Committee has amended this measure by:

- (1) Deleting the establishment of the working group and instead statutorily requiring the Department of Health to provide a public education program containing information on certain, specified aspects of cytomegalovirus, including transmission and prevention to:
 - (A) Pregnant women and women who may become pregnant; and
 - (B) Hospitals, health care providers, and child, infant, and toddler care facilities, including organizations offering children's programs as part of a worship service;
- (2) Deleting the appropriation to support the working group;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 782, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 782, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs and Senate President on behalf of the Committee.

Senators Green, Inouye, Baker, Galuteria and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Representatives Belatti, Rhoads, Kobayashi, Woodson and Fukumoto Chang.
Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Rhoads).

Conf. Com. Rep. 115 on H.B. No. 1440

The purpose of this measure is to improve access to and the quality of health services available to schoolchildren by appropriating funds for the Hawaii Keiki: Healthy and Ready to Learn program.

Your Committee on Conference has amended this measure by:

- (1) Making the appropriation for the amount of \$1,000,000 for each year of fiscal biennium 2015-2017;
- (2) Specifying that the appropriation for fiscal year 2016-2017 shall be expended only if the Department of Education receives and expends non-State funds of at least \$500,000 for the program during the fiscal year; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1440, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1440, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Green, Harimoto, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

Representatives Belatti, Nishimoto, Morikawa and Matsumoto.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 116 on H.B. No. 576

The purpose of this measure is to enable Hawaii to obtain a state innovation waiver from the Federal Patient Protection and Affordable Care Act of 2010 (ACA), as amended, by:

- (1) Narrowing the focus of the State Innovation Waiver Task Force (Task Force) to developing a plan for applying for a state innovation waiver that complies with section 1332 of the ACA and all applicable public notice requirements;
- (2) Providing that the Task Force's interim reports to the Legislature do not have to recommend allocations of existing moneys available for health reform and innovation; and
- (3) Making an appropriation for expenses related to developing the state innovation waiver.

Your Committee has amended this measure by:

- (1) Requiring the Task Force to examine the feasibility of providing affordable insurance coverage for uninsured and underinsured individuals that include innovations to the State's existing Medicaid program;
- (2) Deleting the appropriation; and
- (3) Changing the effective to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 576, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 576, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda, Harimoto, Taniguchi and Wakai.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Belatti, McKelvey, Luke, Creagan and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Luke, McDermott).

Conf. Com. Rep. 117 on H.B. No. 1168

The purpose of this measure is to authorize use of the boating special fund to pay for planning, developing, managing, operating, or maintaining lands and improvements under the control and management of the Board of Land and Natural Resources, including the hiring of permanent or temporary civil service exempt staff.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1168, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1168, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Thielen, Riviere, Galuteria, Ihara and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Yamane, Cullen, Evans, Lowen and Pouha.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 118 on H.B. No. 1366

The purpose of this measure is to identify and acquire or build additional office space in urban Honolulu to accommodate state governmental agencies and offices.

Specifically, the measure appropriates moneys for:

- (1) The Department of Land and Natural Resources to plan for and acquire the leasehold interest in TMK (1) 2-1-017-008-0000, 2-1-017-008-0001, and 2-1-017-008-0002, and acquire the building thereon, known as Alii Place; and
- (2) The Department of Accounting and General Services to pay the first two years of debt service if and when the acquisition is accomplished.

Your Committee on Conference has amended this measure by:

- (1) Making clarifying amendments to its purpose section;
- (2) Rather than directing the Department of Land and Natural Resources to engage in acquiring Ali'i Place, instead authorizing the Governor's Office, Department of the Attorney General, Department of Land and Natural Resources, Department of Accounting and General Services, and Department of Budget and Finance to enter into negotiations for the purchase of Ali'i Place;
- (3) Deleting language regarding the Department of Accounting and General Services' management of the property;
- (4) Removing the appropriation for payment of debt service by the Department of Accounting and General Services;
- (5) Authorizing the Department of Accounting and General Services to perform due diligence in connection with the transaction;
- (6) Requiring a joint progress report from the Department of Land and Natural Resources and the Department of Accounting and General Services prior to the Regular Session of 2016;
- (7) Changing its effective date to July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purpose of consistency, clarity, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1366, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1366, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Tokuda, English, Ihara and Kouchi.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Yamane, Luke, Hashem, Yamashita and Ward.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 119 on H.B. No. 158

The purpose of this measure is to appropriate funds to the Department of the Prosecuting Attorney of the County of Maui for the prosecution of cases under the Drug Court and Mental Health Court Programs.

Your Committee on Conference has amended this measure to:

- (1) Appropriate \$150,000 as a grant-in-aid to the Department of the Prosecuting Attorney of the County of Maui to prosecute cases in both the Drug Court and Mental Health Court for fiscal year 2015-2016;
- (2) Take effect on July 1, 2015; and
- (3) Make technical, nonsubstantive amendments for the purposes of clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 158, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 158, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, English, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Shimabukuro, Slom).

Representatives San Buenaventura, Luke, Yamashita and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 120 on H.B. No. 832

The purpose of this measure is to allow the University Laboratory School to conform its student enrollment profile to the standard prescribed by the University of Hawaii College of Education in order to meet the College of Education's research requirements.

Your Committee on Conference has amended this measure to:

- (1) Require the State Public Charter School Commission to submit a report to the Legislature that reviews the University Laboratory School's actual admissions data to ensure conformity with the school's admissions policy;
- (2) Require the University Laboratory School to conduct a study, and report to the Legislature prior to the 2016 legislative session, on whether the school should be a private school instead of a public charter school to determine whether an exemption from Chapter 302D, Hawaii Revised Statutes, is necessary; and
- (3) Make the measure drop dead on July 1, 2020.

Your Committee respectfully requests that the State Public Charter School Commission monitor the admissions policy and practices of the University Laboratory School.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 832, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 832, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Takumi, Choy, Nishimoto, Ichiyama, Kong, LoPresti and Matsumoto.

Managers on the part of the House.

Ayes, 6. Noes, none. Excused, 1 (Kong).

Conf. Com. Rep. 121 on S.B. No. 1124

The purpose of this measure is to clarify that in order to obtain a permit or permit renewal to moor a vessel in a state small boat harbor, the vessel owner shall:

- (1) Provide a marine surveyor's inspection or a vessel inspection by the Department of Land and Natural Resources, no more than two years old, certifying that the vessel has been inspected and fulfills the requirements set by the Department of Land and Natural Resources; and
- (2) Provide satisfactory proof that the person is at least eighteen years of age prior to obtaining a use permit or being placed on a waitlist for a use permit.

Your Committee on Conference finds that a person should be at least eighteen years of age in order to be placed on the waitlist for a permit. Your Committee on Conference further finds that a vessel inspection by the Department of Land and Natural Resources is sufficient in lieu of a marine surveyor's vessel inspection.

Your Committee on Conference has amended this measure by changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1124, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1124, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Thielen, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Yamane, Cullen, Evans and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 122 on S.B. No. 1060

The purpose and intent of this measure is to establish a low interest biosecurity loan program to assist the livestock industry.

Your Committee on Conference finds that Hawaii's livestock industry is economically and culturally significant and livestock operations are susceptible to the introduction of pests and diseases that can affect the health and welfare of the animals, and in some cases may affect the health and well-being of people who come in contact with the animals or farm products. Biosecurity measures serve to protect the health of poultry and livestock and are increasingly being required by federal programs to ensure a safe food supply. While these measures help protect the farm and consumers, they often do not result in additional profits for the operation; therefore low interest loans will assist livestock operations to ensure the sustainability of Hawaii's livestock industry.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1060, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1060, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Ruderman, Riviere, Harimoto, Taniguchi and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Slom).

Representatives Tsuji, Onishi, Tokioka and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 123 on S.B. No. 273

The purpose of this measure is to:

- (1) Require the examiner of drivers to accept a sworn statement from a victim services organization, an attorney, a member of the clergy, correctional institution staff, a medical or other health professional, or a verification letter from a homeless service provider as documentary evidence of a homeless person's address;
- (2) Require the Director of Transportation's rules to direct the examiner of drivers to waive all fees for the issuance of an identification card for homeless individuals; and
- (3) Establish a working group to develop a plan to enable homeless individuals to obtain necessary documentary evidence to obtain a state civil identification card.

Your Committee on Conference finds that legal identification is necessary to obtain and maintain certain financial and nonfinancial benefits, housing, employment, medication, and other life essentials. Your Committee on Conference further finds that houseless citizens in Hawaii often face overwhelming barriers to obtaining valid identification, and that allowing qualified individuals to provide documentation verifying a homeless individual's address would assist homeless individuals in obtaining critical services and becoming more self-sufficient.

Your Committee on Conference has amended this measure by:

- (1) Expanding the working group to include a representative from the United States Citizenship and Immigration Services, Social Security Administration, Department of Labor and Industrial Relations, and Partners in Development Foundation's We Are Oceania Project;
- (2) Removing the Director of Transportation or the Director's designee from the working group;
- (3) Deleting replacement identification card from the types of identification cards for which the fee must be waived when issued to qualified homeless individuals; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 273, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 273, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Keith-Agaran, Espero, Harimoto and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, Rhoads, Luke, Hashem and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Luke).

Conf. Com. Rep. 124 on S.B. No. 1009

The purpose and intent of this measure is to ensure that hotels either distribute portorage service charges to employees in full or notify customers that service charges are being used for other purposes.

Your Committee on Conference finds that consumers should know whether or not, and to what extent, the money they pay hotels in portorage service charges is being paid to employees. When a hotel charges service charges to customers, customers may believe that those charges are being paid to employees as tip income; however, this is not necessarily the case, and this information could influence whether or not a consumer chooses to use portorage services. Therefore, your Committee on Conference finds that it should be transparent to consumers how hotels distribute portorage service charges.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1009, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1009, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, Keith-Agaran and Taniguchi.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Taniguchi).

Representatives Brower, Nakashima, Tokioka, LoPresti and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 125 on S.B. No. 1324

The purpose of this measure is to require the Employees' Retirement System to directly pay a portion of a member's pension or related benefit to a former spouse of the member, pursuant to an award in a divorce action. This measure further requires the Employees' Retirement System to adopt rules and prepare forms to effectuate this measure.

Your Committee on Conference finds that this measure will ensure that a member's pension or related benefits are properly divided pursuant to an award ordered in a divorce action and that court ordered payments are made in a prompt manner.

Your Committee on Conference has amended this measure by:

- (1) Amending section 1;
- (2) Replacing section 2 with a provision creating a new section in chapter 88, part II, subpart C, Hawaii Revised Statutes, that, among other things:
 - (A) Provides authority for the direct payment of a member's or retirant's pension or a related benefit to a spouse or former spouse pursuant to a qualifying divorce decree;
 - (B) Provides terms for the commencement and termination of such direct payments;
 - (C) Sets forth circumstances where divorce decree need not be complied with; and
 - (D) Requires the Employees' Retirement System to adopt rules and produce forms necessary to implement the new section, including establishing a schedule for filing, service, and administrative fees;
- (3) Replacing section 3 of this measure with a provision amending section 88-91, Hawaii Revised Statutes; and
- (4) Inserting an effective date of January 1, 2018, to allow the Employees' Retirement System sufficient time to implement a system to comply with this measure; provided that the authority of the Employees' Retirement System to adopt rules and prepare forms shall take effect upon approval.

With regard to the administrative fee permitted under the new section in chapter 88, Hawaii Revised Statutes, as established by section 2 of this measure, it is the intent of your Committee on Conference that the total of the administrative fees collected shall not exceed the actual cost of implementing the program, and shall not be based solely on the cost of each individual transaction.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1324, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1324, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Kouchi, Espero, Inouye and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Nakashima, Rhoads, Keohokalole, San Buenaventura and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 126 on S.B. No. 1028

The purpose of this Act is to:

- (1) Require all group health issuers to offer to contract with any federally-qualified health centers in the relevant service area to provide all covered ambulatory services offered by the federally-qualified health centers in accordance with network adequacy standards of the Hawaii Health Connector (Connector);
- (2) Amend the purposes of the Connector to include providing enrollment, implementation, and benefit administration services for health plans not offered through the Connector;
- (3) Authorize the Connector to generate revenue through the provision of enrollment, implementation, and benefit administration services for health plans not offered through the Connector or other ancillary products and services; and
- (4) Require that the network adequacy standards of the Connector adhere to the requirements for contracts with federally-qualified health centers in conformance with the requirements of federal implementing regulations.

Your Committee on Conference finds that the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) required state-based exchanges to be self-sustaining as of January 1, 2015. However, due to Hawaii's small population of uninsured individuals, Hawaii's state-based exchange, known as the Hawaii Health Connector (Connector), has faced challenges in its goal of financial sustainability. The State's low number of uninsured individuals is primarily due to the success of the Hawaii Prepaid Health Care Act, which has enabled Hawaii residents to secure employer-sponsored health insurance for over forty years and resulted in an

uninsured resident rate of less than ten percent. Your Committee on Conference further finds that the Connector has been working with the State and the private sector to ensure that the requirements of the Affordable Care Act work in tandem with the Prepaid Health Care Act to preserve the Prepaid Health Care Act's existing benefits for Hawaii residents.

Your Committee on Conference notes that although the Affordable Care Act funded the development and initial operation of the Connector, the federal government did not provide the start-up capital necessary to support operations until the Connector enrolled a sufficient number of individuals to help pay for the Connector's operating expenses. Your Committee on Conference also notes that the federal Centers for Medicare and Medicaid Services is requiring the submission of a Corrective Action Plan that will address details of the State's plan to ensure compliance with all Affordable Care Act requirements, including financial sustainability of the Connector.

Your Committee on Conference also finds that although this measure proposes to amend the purpose of the Connector and make certain changes associated with network adequacy, this measure is intended to be a vehicle for a general fund appropriation for the continued operations of the Connector. Amendments to this measure are therefore necessary to insert a general fund appropriation for the operations of the Connector, which will assist in the implementation of the required sustainability plan.

Finally, your Committee on Conference notes that the Legislature is committed to keeping the Connector as a state-based health exchange. Your Committee on Conference additionally finds that it is imperative that the Board of Directors of the Connector continue to work closely with the Legislature, the Administration, and other state agencies on the continued operation of the Connector as a state-based health exchange to ensure compliance with the Affordable Care Act and the continued success of the State's visionary Prepaid Health Care Act.

Your Committee on Conference has amended this measure by:

- (1) Deleting the definition for "qualified health plan";
- (2) Deleting language that would have required all group health issuers to offer to contract with any federally-qualified health centers in the relevant service area to provide all covered ambulatory services offered by the federally-qualified health centers in accordance with network adequacy standards of the Connector;
- (3) Deleting language that would have amended the purpose of the Connector to include providing enrollment, implementation, and benefit administration services for health plans not offered through the Connector;
- (4) Deleting language that would have authorized the Connector to generate revenue through the provision of enrollment, implementation, and benefit administration services for health plans not offered through the Connector or other ancillary products and services;
- (5) Deleting language that would have required that the network adequacy standards of the Connector adhere to the requirements for contracts with federally-qualified health centers in conformance with the requirements of federal implementing regulations;
- (6) Inserting a general fund appropriation of \$2,000,000 for fiscal year 2015-2016 for the operations of the Connector, to be expended by the Department of Commerce and Consumer Affairs;
- (7) Updating the purpose section;
- (8) Inserting an effective date of July 1, 2015; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1028, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1028, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda, Harimoto, Taniguchi and Wakai.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Wakai).

Representatives Belatti, McKelvey, Luke, Creagan and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 127 on S.B. No. 1297

The purpose of this measure is to address the disposition of tax revenues collected under the cigarette tax and tobacco tax law.

More specifically, this measure:

- (1) Specifies that tax revenues that are currently distributed to the trauma system special fund, community health centers special fund, and emergency medical services special fund shall be realizations of the general fund after June 30, 2015; and
- (2) Appropriates general fund moneys to programs currently funded by cigarette tax and tobacco tax distributions.

Your Committee on Conference finds that continuing to distribute cigarette tax revenues to the trauma system special fund, community health centers special fund, and emergency medical services special fund will provide a more reliable funding source for the programs supported by those special funds. However, your Committee also finds that having no limit on the amount of tax revenues that may be deposited into these special funds is not fiscally responsible. Your Committee on Conference further finds that

placing a cap on the amount of cigarette tax revenues received by these special funds will promote budgetary planning and transparency by:

- (1) Making forecasts of general fund revenues more reliable;
- (2) Increasing legislative oversight of the agencies and programs supported by those special funds; and
- (3) Increasing competition for limited public funds among agencies and programs.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Retaining the distribution of tax revenues to the trauma system special fund, community health centers special fund, and emergency medical services special fund;
- (2) Establishing, effective after June 30, 2015, maximum dollar amounts that shall be distributed to those special funds;
- (3) Reducing, effective after June 30, 2015, the distribution to the trauma system special fund from 1.5 cents per cigarette to 1.125 cents per cigarette;
- (4) Providing for the transfer of moneys from the trauma system special fund into the general fund if the ending balance exceeds a certain amount at the end of a fiscal year;
- (5) Deleting the general fund appropriation sections;
- (6) Changing the effective date to July 1, 2015; and
- (7) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1297, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1297, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Luke, Johanson and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 128 on S.B. No. 519

The purpose and intent of this measure is to:

- (1) Extend for one additional year the changes adopted by Act 326, Session Laws of Hawaii 2012, which, among other things, established local contact and informational requirements for transient accommodations;
- (2) Require the Department of Taxation to submit an annual report to the Legislature on the implementation of Act 326, Session Laws of Hawaii 2012;
- (3) Authorize the Department of Taxation to enforce civil penalties for operators and plan managers who fail to display certificates of registration and registration identification numbers as required by section 237D-4, Hawaii Revised Statutes; and
- (4) Authorize the deposit of monetary fines into the tax administration special fund.

Your Committee on Conference finds that many residents of Hawaii believe that home-based vacation rentals should be subject to the same transient accommodations tax levied on hotel rooms and time shares. Although many home-based vacation rentals are subject to the same transient accommodations tax levied on hotel rooms and time shares, many operators of transient accommodations and plan managers of resort time share vacation plans have been circumventing the law, creating an unfair advantage over their law-abiding counterparts. In line with public sentiment on this issue, your Committee on Conference finds that action is necessary to correct this situation.

Your Committee on Conference has amended this measure by:

- (1) Deleting the contents of section 1 and inserting legislative findings relating to transient accommodation local contacts;
- (2) Deleting the definition of "transient" and inserting a definition of "local contact";
- (3) Including resort time share vacation interests, units, and plans in the definition of "transient accommodations broker";
- (4) Increasing the balance that may be retained in the tax administration special fund in each fiscal year from \$500,000 to \$700,000;
- (5) Deleting disclosure requirements regarding the transient accommodations tax law;
- (6) Specifying notice requirements relating to local contact information;
- (7) Imposing fines for a violation of the registration and local contact information display or notice requirements, including for advertisements, per transient accommodation or resort time share vacation unit and staggering the fine amounts to increase for subsequent violations;

- (8) Authorizing conspicuous provision of an electronic link to the registration identification number of an operator or plan manager, in lieu of the actual registration identification number, in an advertisement for a transient accommodation or resort time share vacation interest, plan, or unit;
- (9) Deleting amendments to Act 326, Session Laws of Hawaii 2012;
- (10) Inserting a severability clause;
- (11) Inserting an effective date of January 1, 2016; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 519, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 519, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, Baker, Keith-Agaran, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Representatives Brower, McKelvey, Rhoads, Nishimoto, Ohno and Ward.

Managers on the part of the House.

Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 129 on S.B. No. 892

The purpose of this measure is to make various appropriations for the Hawaii resilience and sustainability strategy in the areas of broadband and joint emergency management, energy efficiency and smart grid, and water and sewer infrastructure.

Your Committee on Conference finds that Hawaii needs a new way of thinking about how the State addresses critical infrastructure needs. Your Committee on Conference further finds that increasing broadband capacity is critical to businesses and the continued growth of Hawaii's economy. Broadband internet provides various benefits, including increased access to information, facilitation of healthcare delivery and services, economic opportunities and accelerated business development, and the enhanced capacity for smart grid technology and increased energy conservation.

Your Committee on Conference notes that this measure will facilitate the development of public-private partnerships to provide more secure, reliable, and resilient internet and data capacity.

Your Committee on Conference has amended this measure by:

- (1) Updating the purpose section;
- (2) Inserting an appropriation amount of \$500,000 for fiscal year 2015-2016 only for the Hawaii broadband initiative;
- (3) Deleting language that would have appropriated general funds for the necessary expenses incurred to design broadband cable landing sites and prepare seven environmental impact statements;
- (4) Deleting language that would have appropriated general funds necessary for planning and constructing a joint emergency management center;
- (5) Inserting an appropriation amount of \$250,000 for fiscal year 2015-2016 only for the energy efficiency and grid operations research;
- (6) Inserting an appropriation amount of \$250,000 for fiscal year 2015-2016 only for the county water improvement and sewer distribution systems project;
- (7) Inserting an appropriation amount of \$25,000,000 for fiscal year 2015-2016 only for the Hawaii resilience and sustainability strategy;
- (8) Inserting an effective date of July 1, 2015; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 892, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 892, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Espero, Gabbard, English and Dela Cruz.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Representatives Kawakami, McKelvey, Nishimoto, Yamashita and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Nishimoto, Ward).

Conf. Com. Rep. 130 on S.B. No. 423

The purpose of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the City and County of Honolulu. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for fiscal year 2015-2016 as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and Victim Witness Assistance Program, including the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 423, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 423, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Espero, Keith-Agaran, Galuteria, Harimoto and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Representatives Rhoads, DeCoite, Brower and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 131 on S.B. No. 524

The purpose of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Hawaii for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Hawaii. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for fiscal year 2015-2016 as a grant-in-aid for the County of Hawaii Office of the Prosecuting Attorney Career Criminal Prosecution Unit and Victim Witness Assistance Program, including the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 524, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 524, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Espero, Keith-Agaran, Inouye, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Representatives San Buenaventura, DeCoite, Creagan and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 132 on S.B. No. 1305

The purpose of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Kauai for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Kauai. However, funding for the programs has been

significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$50,000 for fiscal year 2015-2016 as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Kauai for the Career Criminal Prosecution Unit and Victim Witness Assistance Program, including for the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1305, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1305, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, Kouchi, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Representatives San Buenaventura, DeCoite, Tokioka and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 133 on S.B. No. 1214

The purpose of this measure is to:

- (1) Require an electric utility to unbundle customer rates and charges in order to be eligible to receive financing assistance through special purpose revenue bonds; and
- (2) Authorize the Department of Budget and Finance to issue special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.

Your Committee on Conference finds that multi-project capital improvement projects and programs to provide electric energy are in the public interest. Implementation of this measure authorizes the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.; in financing multi-project capital improvement projects and programs that will benefit public health, safety, and welfare.

Your Committee on Conference has amended this measure by:

- (1) Deleting language requiring an electric utility to unbundle customer rates and charges in order to be eligible to receive financing assistance through special purpose revenue bonds;
- (2) Authorizing the Department of Budget and Finance to issue up to \$80,000,000 in special purpose revenue bonds in the following distribution: up to \$70,000,000 for Hawaiian Electric Company, Inc.; up to \$7,500,000 for Maui Electric Company, Limited; and up to \$2,500,000 for Hawaii Electric Light Company, Inc.;
- (3) Inserting a lapsing date of June 30, 2020; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1214, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1214, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, Tokuda, Ihara and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Lee, Luke, Lowen and Pouha.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 134 on S.B. No. 1050

The purpose of this measure is to:

- (1) Require each electric utility in the State to file a proposed community-based renewable energy tariff or tariffs with the Public Utilities Commission by October 1, 2015;
- (2) Require the Public Utilities Commission to establish a community-based renewable energy tariff or tariffs if the tariff or tariffs are in the public interest; and

- (3) Authorize ratepayer participation in eligible community-based renewable energy projects.

Your Committee on Conference finds that localized renewable energy generation has become increasingly attainable for all types of customers over the past several years. However, despite the rise in statewide residential solar energy use, many individuals and businesses are currently unable to directly participate in renewable energy because of various impediments. Implementation of this measure will create a community-based renewable energy tariff structure that will increase access to renewable energy generation.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the requirement that the Public Utilities Commission establish a community-based renewable energy tariff or tariffs pursuant to section 269-16, Hawaii Revised Statutes;
- (2) Inserting an effective date of upon approval; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1050, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1050, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs and Speaker of the House of Representatives on behalf of the Committee.

Senators Gabbard, Baker, Tokuda, Ihara and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Lee, Woodson, Nishimoto, Lowen and Thielen.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 135 on S.B. No. 349

The purpose of this measure is to:

- (1) Establish a renewable fuels production tax credit;
- (2) Repeal the ethanol facility tax credit; and
- (3) Require the Department of Business, Economic Development, and Tourism to certify all tax credits and submit a report regarding the production and sale of renewable fuels to the Governor and Legislature each year.

Your Committee on Conference finds that the State is vulnerable to soaring energy prices and disruptions of its energy imports, which can hinder, cripple, or even devastate the State's economy and the well-being of its residents. The State imports nearly ninety percent of its energy needs and almost one hundred percent of its transportation needs. It is critical that the State becomes more self-sufficient to ensure greater energy security. The establishment of a renewable fuels production tax credit will advance the State's clean energy initiatives and assist the State in achieving greater energy security.

Your Committee on Conference has amended this measure by:

- (1) Making the renewable fuels production tax credit refundable;
- (2) Authorizing taxpayers to claim a refundable renewable fuels production tax credit equal to 20 cents per seventy-six thousand British thermal units of qualifying renewable fuel;
- (3) Limiting the renewable fuels production tax credit claimable by a taxpayer to \$3,000,000 per taxable year;
- (4) Limiting the renewable fuels production tax credit to \$3,000,000 per year in the aggregate; and
- (5) Inserting a sunset date for the tax credit of June 30, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 349, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 349, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Tokuda and Ihara.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Lee, Luke, Lowen and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 136 on S.B. No. 359

The purpose of this measure is to:

- (1) Specify that allocations of environmental response, energy, and food security tax revenues to the environmental response revolving fund shall cease after June 30, 2015;

- (2) Make permanent the agricultural development and food security special fund and repealing the June 30, 2030, lapse date of unexpended or unencumbered monies in the fund;
- (3) Make permanent the amendments made under Act 73, Session Laws of Hawaii 2010, to the environmental response revolving fund; the energy security special fund; and the environmental response, energy, and food security tax; and
- (4) Appropriate funds for environmental programs and natural resource programs formerly supported by the allocation of environmental response, energy, and food security tax revenues to the environmental response revolving fund.

Your Committee on Conference finds that the State is precariously dependent on imported food and energy. The environmental response, energy, and food security tax, also known as the barrel tax, is a vital revenue source that supports critical investments and initiatives in clean energy, local agricultural production, and environmental response. The implementation of this measure will ensure ongoing funding for environmental projects, reduce the State's dependence on imported fossil fuels, and further the State's goals of food and energy self-reliance.

Your Committee on Conference has amended this measure by:

- (1) Inserting language to amend the definition of "distributor" as used in the fuel tax law to include fossil fuel;
- (2) Deleting language specifying that allocations of environmental response, energy, and food security tax revenues to the environmental response revolving fund shall cease after June 30, 2015;
- (3) Requiring the environmental response, energy, and food security tax to be additionally imposed on fossil fuels sold by a distributor to any retail dealer or end user, other than a refiner, of fossil fuel, to be paid by the distributor of the fossil fuel;
- (4) Specifying various allocations of environmental response, energy, and food security tax revenues from fossil fuel distributors to be deposited into the environmental response revolving fund, energy security special fund, energy systems development special fund, and agricultural development and food security special fund;
- (5) Specifying that the environmental response, energy, and food security tax on fossil fuels does not apply to coal in certain situations;
- (6) Authorizing gas utilities to recover the cost of the environmental response, energy, and food security tax imposed on fossil fuels as part of its fuel cost in its fuel adjustment charge without further approval by the Public Utilities Commission;
- (7) Making conforming amendments related to the environmental response, energy, and food security tax imposed on fossil fuels;
- (8) Defining "barrel" and "fossil fuel";
- (9) Deleting the appropriations;
- (10) Clarifying the purposes for which the environmental response revolving fund may be used;
- (11) Requiring monies in the environmental response revolving fund in excess of \$1,250,000 on June 30 of each fiscal year be transferred into the general fund;
- (12) Repealing the requirement that certain positions be funded by the environmental response revolving fund;
- (13) Requiring the Director of Health to report to the Legislature actual and planned expenditures from, amounts in, revenues into, unexpended encumbrances reserve of, and transfers from the environmental response revolving fund;
- (14) Amending the purpose of this measure accordingly; and
- (15) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 359, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 359, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Ruderman, Tokuda, Kouchi and Thielen.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Kouchi).

Representatives Lee, Luke, Tsuji and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 137 on S.B. No. 964

The purpose of this measure is to appropriate monies to support Hawaii's elderly population.

More specifically, this measure:

- (1) Appropriates funds for the kupuna care program and the aging and disability resource center;
- (2) Requires that the Alzheimer's Disease and Related Dementia Services Coordinator be appointed in accordance with chapters 76 and 89, Hawaii Revised Statutes, no later than July 1, 2017, and appropriates funds for the Coordinator position;
- (3) Appropriates funds for elderly fall prevention and early detection services;

- (4) Appropriates funds to support the healthy aging partnership program; and
- (5) Establishes and appropriates funds for an Alzheimer's Disease and Related Dementia Public Awareness Campaign.

Your Committee on Conference finds that Hawaii's kupuna need the State to prioritize their health and well-being. Census projections indicate that Hawaii's senior population will almost double between 2010 and 2020, with the highest percentage increase occurring in kupuna over the age of 85. Minimizing the potential financial strain of the aging population on the State and addressing the elderly population's needs require significant proactive efforts.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$3,000,000 for the kupuna care program for fiscal year 2015-2016 only;
- (2) Deleting the appropriation for the aging and disability resource center;
- (3) Deleting the provision appointing an Alzheimer's Disease and Related Dementia Services Coordinator and the appropriation for the Coordinator position;
- (4) Deleting the appropriation for fall prevention and early detection services;
- (5) Deleting the appropriation for the healthy aging partnership program;
- (6) Deleting the appropriation for the Alzheimer's Disease and Related Dementia Public Awareness Campaign;
- (7) Inserting an effective date of July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 964, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 964, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs and Senate President on behalf of the Committee.

Senators Chun Oakland, Green, Tokuda, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Riviere, Slom).

Representatives Belatti, Morikawa, Luke, Takayama and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 138 on S.B. No. 64

The purpose of this measure is to make appropriations for subsidies, three positions, and contract services for the continued implementation of the preschool open doors program.

Your Committee on Conference finds that the preschool open doors program is Hawaii's school readiness program that provides critical subsidies for low to moderate income families sending their children to a licensed preschool to prepare them for kindergarten. Your Committee on Conference further finds that the preschool open doors program allows approximately 1,300 of Hawaii's children to attend licensed preschools, which has short-term and long-term benefits for children, individuals, and society as a whole.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation for three positions and contract services for the continued implementation of the preschool open doors program;
- (2) Inserting an appropriation amount of \$6,000,000 for subsidies for the preschool open doors program for fiscal year 2015-2016 only;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 64, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 64, S.D. 3, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Kidani, Tokuda, Thielen and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, Takumi, Kobayashi, Keohokalole and Fukumoto Chang.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 139 on S.B. No. 1001

The purpose of this measure is to establish an income tax credit for taxpayers who incur certain expenses for manufacturing-related activities in Hawaii.

Your Committee on Conference finds that manufacturers in Hawaii produce goods that are in demand across the United States and around the world. Thus, developing and supporting manufacturing in Hawaii could reduce Hawaii's need to import consumer products and lead to greater economic development. Your Committee on Conference further finds that, according to The Chamber of Commerce Hawaii, Hawaii has more than one thousand active manufacturers that currently employ approximately seventeen thousand workers.

Your Committee on Conference believes that establishing a manufacturing development tax credit would provide financial benefits to manufacturers, thereby increasing their growth and encouraging other manufacturers to begin operations in Hawaii, to strengthen Hawaii's economy.

Your Committee on Conference has amended this measure by reverting to the S.D. 2 version, which establishes a manufacturing development program, rather than a manufacturing income tax credit, through which the High Technology Development Corporation may provide grants to manufacturers in the State for the purchase of and training of employees to use manufacturing equipment and improvement in energy efficiency of manufacturing equipment, and further amending the measure by:

- (1) Additionally authorizing grants for studying or planning the implementation of a new manufacturing facility;
- (2) Increasing the maximum grant amount that a company may receive in any given year from \$20,000 to \$100,000;
- (3) Inserting an appropriation amount of \$2,000,000 for fiscal year 2015-2016 only to the High Technology Development Corporation to facilitate the provision of grants;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1001, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1001, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Tokuda, Dela Cruz, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Kawakami, Johanson, Brower and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Brower).

Conf. Com. Rep. 140 on S.B. No. 504

The purpose of this measure is to:

- (1) Require the State Historic Preservation Division (SHPD) of the Department of Land and Natural Resources (DLNR) to conduct a survey on properties eligible for listing on the Hawaii register of historic places and to submit a report to the Legislature; and
- (2) Appropriate funds to DLNR to conduct the survey.

Your Committee on Conference finds that the appropriate surveying and recording of historic districts and single-family residences possibly eligible for listing on the Hawaii register of historic places is crucial for their appropriate management and preservation. Your Committee on Conference further finds that this measure would enable SHPD to conduct a survey of potentially eligible districts and residences and facilitate timely review of permit applications submitted to DLNR.

Your Committee on Conference further finds that a data management plan for the digitization of historic preservation records is crucial to the protection and management of the State's historic places and the facilitation of critically needed infrastructure, housing, and economic development projects. The data management plan includes digitization of over 3,600,000 pages of documents, as well as the creation of several databases, a geographic information system, and integration of all these items into a single functioning system.

Your Committee on Conference has amended this measure by:

- (1) Deleting its purpose section;
- (2) Appropriating \$100,000 to DLNR for fiscal years 2016 and 2017 to conduct a survey identifying potential historic districts and single-family residences that may be eligible for listing on the Hawaii register of historic places;
- (3) Appropriating \$150,000 to DLNR for fiscal years 2016 and 2017 to implement a data management plan for the digitization of historic preservation records;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 504, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 504, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Thielen, Tokuda, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Representatives Yamane, Cullen, Evans and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Evans).

Conf. Com. Rep. 141 on H.B. No. 126

The purpose of this measure is to fund Hawaii Employer-Union Health Benefits Trust Fund costs and other cost adjustments for officers and employees of specified legislative agencies who are excluded from collective bargaining.

Your Committee on Conference has amended this measure by:

- (1) Inserting the appropriate appropriation amounts in this measure;
- (2) Clarifying that appropriation amounts are for fiscal biennium 2015-2017; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 126, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 126, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Keith-Agaran, Galuteria, Harimoto and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Harimoto).

Representatives Nakashima, Luke, Nishimoto and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 142 on H.B. No. 553

The purpose of this measure is to allow graduate student assistants employed by the University of Hawaii to collectively bargain by:

- (1) Establishing collective bargaining unit (15) to consist of graduate student assistants employed by the University of Hawaii;
- (2) Specifying that graduate student assistants employed by the University of Hawaii and working less than twenty hours per week shall not be excluded from an appropriate bargaining unit; and
- (3) Requiring the Chief Negotiator of the Office of Collective Bargaining to convene the prospective collective bargaining unit working group to make recommendation to the Legislature regarding collective bargaining unit (15).

Your Committee on Conference has amended this measure by:

- (1) Removing the provisions that would have established collective bargaining unit (15) for graduate student assistants employed by the University of Hawaii;
- (2) Removing the provisions that would have required the Chief Negotiator of the Office of Collective Bargaining to convene the prospective collective bargaining unit working group;
- (3) Requiring the University of Hawaii and the relevant exclusive representatives to meet and report to the Legislature;
- (4) Changing the effective date to upon approval; provided that any negotiated collective bargaining agreement shall not take effect until July 1, 2016; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 553, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 553, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Keith-Agaran and Tokuda.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Tokuda).

Representatives Nakashima, Choy, Keohokalole, Ichiyama, LoPresti and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, 1 (LoPresti).

Conf. Com. Rep. 143 on H.B. No. 696

The purpose of this measure is to help increase and strengthen the workforce in the State by:

- (1) Establishing the Hawaii Healthcare Workforce Advisory Board; and
- (2) Allowing the Director of Labor and Industrial Relations to establish workforce advisory boards with specific duties and responsibilities.

Your Committee on Conference has amended this measure by:

- (1) Changing the membership of the Hawaii Healthcare Workforce Advisory Board to include the Director of the Hawaii/Pacific Basin Area Health Education Center and one member representing a nurse training program;
- (2) Clarifying that the workforce advisory boards shall develop goals with a particular attention to efforts in pre-service programs and opportunities;
- (3) Changing the effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 696, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 696, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Keith-Agaran, Tokuda, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

Representatives Nakashima, Belatti, Keohokalole, Har and Fukumoto Chang.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Har).

Conf. Com. Rep. 144 on H.B. No. 697

The purpose of this measure is to:

- (1) Require the Department of Accounting and General Services (DAGS) to:
 - (A) Undertake lease buyback processing under the program of centralized engineering and office leasing services;
 - (B) Facilitate facility agreements between the State and private investors for the sale of facilities to private investors; and
 - (C) Conduct an inventory of all leases of property between state agencies and private entities and submit a report to the Legislature; and
- (2) Require the Auditor to conduct a study that reviews the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects.

Your Committee on Conference has amended this measure by:

- (1) Excluding the facilities managed or controlled by the Department of Transportation (DOT) from the DAGS program to facilitate facility agreements between the State and private investors for the sale of facilities;
- (2) Clarifying that DAGS shall establish, coordinate, and manage a program to facilitate facility agreements between the State and private investors for the sale of facilities to private investors;
- (3) Excluding DOT from the auditor's study to review the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects;
- (4) Inserting an appropriation amount of \$250,000;
- (5) Changing the effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 697, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 697, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Nakashima, Keohokalole, Ichiyama and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 145 on H.B. No. 547

The purpose of this measure is to ensure that University of Hawaii students receive guidance toward graduation by:

- (1) Requiring the University of Hawaii to explore administrative measures to provide guidance to students to increase the rate of on-time graduation, and to include specific elements if a Graduation Pathway System is developed;
- (2) Requiring the University of Hawaii to submit a report to the Legislature if the University elects to develop a Graduation Pathway System; and
- (3) Appropriating funds to establish the Graduation Pathway System and fund full-time equivalent positions.

This measure also appropriates funds for renovations, repairs, and improvements to the John A. Burns School of Medicine.

Your Committee on Conference finds that elements of a Graduation Pathway System should include:

- (1) Structured, default pathways where, upon choosing a major course of study, students are defaulted into the required classes they need to complete to graduate with a baccalaureate degree in that course of study;
- (2) Academic maps, including a sequential, prescriptive schedule of classes for each meta-major and major course of study;
- (3) An intrusive advising model that includes the use of high school performance and other measures to recommend broad academic pathways and present default pathways for students; and
- (4) Data on the dynamics of the local employment market, including employment availability.

Such a course of study will provide students with guidance to increase the rate of on-time graduation, thereby strengthening educational outcomes for higher education students across the state.

Your Committee on Conference has amended this measure by:

- (1) Specifically requiring the University of Hawaii to provide guidance to students to increase the rate of on-time graduation through the development of a Graduation Pathway System and include specific elements in developing such a system, rather than simply requiring the University to explore administrative measures to achieve these goals;
- (2) Requiring the University of Hawaii to submit a report to the Legislature on its efforts to explore administrative measures to provide guidance to students within the University of Hawaii system to increase the rate of on-time graduation, including updates on progress toward the development of the Graduation Pathway System, rather than requiring a report only if the University of Hawaii elects to develop a Graduation Pathway System;
- (3) Removing the appropriations to fund full-time equivalent positions;
- (4) Appropriating \$500,000 for fiscal year 2015-2016 for the development of the Graduation Pathway System;
- (5) Changing its effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 547, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 547, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Choy, Yamashita, Aquino, Ichiyama and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 146 on H.B. No. 541

The purpose of this measure is to:

- (1) Require each University of Hawaii (UH) campus to prepare a plan for the operation of each program the campus is responsible for administering for each fiscal year;
- (2) Authorize the UH Vice President for Budget and Finance and the Chief Financial Officer (CFO) to establish the form and content of the operations plan;
- (3) Require the UH President and CFO to review and approve the operations plan for each campus, and modify or withhold the planned expenditures of any campus during the appropriations period upon determination by the CFO that the expenditures are in excess of actual need or the funds will be insufficient to meet expenditure levels; and
- (4) Specify that moneys in the University of Hawaii Tuition and Fees Special Fund for each campus shall lapse to the credit of Program ID No. UOH900 (University of Hawaii, System Wide Support).

Your Committee on Conference has amended this measure by:

- (1) Authorizing, rather than requiring, the UH President and CFO to modify or withhold the planned expenditures of any campus during the appropriations period, and not contingent upon any determination by the CFO;
- (2) Changing its effective date to July 1, 2015; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 541, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 541, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Tokuda and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Choy, Yamashita, Aquino, Ichiyama and Tupola.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 147 on H.B. No. 540

The purpose of this bill is to extend the authority of the University of Hawaii to maintain a separate accounting and financial management system that is compatible with State accounting and financial systems.

Your Committee on Conference has amended this bill by:

- (1) Adding statutory language that requires the University to expend legislative appropriations in accordance with the Legislature's intent as expressed in the relevant appropriation vehicles, report to the Legislature to account for funds spent otherwise or left unexpended, and return an amount equal to the funds contained in the report plus related recurring appropriations to the general fund;
- (2) Extending the sunset provisions to June 30, 2018, instead of June 30, 2019;
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency; and
- (4) Changing the effective date to June 29, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 540, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 540, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Taniguchi, Inouye, Harimoto, Kahele and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Representatives Choy, Yamashita, Ichiyama, Kong and Matsumoto.

Managers on the part of the House.

Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 148 on H.B. No. 1296

The purpose of this measure is to promote the expansion of hydrogen-based energy in Hawaii by:

- (1) Designating the Director of the Hawaii Center for Advanced Transportation Technologies of the High Technology Development Corporation as the State Hydrogen Implementation Coordinator to facilitate the establishment of hydrogen energy infrastructure and policies; and
- (2) Establishing a Hydrogen Implementation Working Group to be convened by the State Hydrogen Implementation Coordinator and submit a report of the working group's findings and recommendations to the Legislature.

Your Committee on Conference has amended the measure by changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1296, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1296, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Gabbard, English, Green and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Lee, Keohokalole, Cullen, Ing and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Ing, Ward).

Conf. Com. Rep. 149 on H.B. No. 1471

The purpose of this measure is to address the funding of government programs by:

- (1) Providing for the transfer of moneys from the Environmental Response Revolving Fund into the General Fund if the ending balance exceeds a certain amount at the end of a fiscal year, and deleting provisions requiring certain positions to be funded by the Environmental Response Revolving Fund;
- (2) Making an appropriation to the Legislative Reference Bureau to update its 2002 invasive species study;
- (3) Repealing or forcing the lapse of certain appropriations for fiscal year 2014-2015 that are not expected to be expended; and
- (4) Re-appropriating some of the lapsed appropriations.

Your Committee on Conference has amended this measure by:

- (1) Deleting the provisions related to the transfer of moneys from the Environmental Response Revolving Fund into the General Fund and the funding of certain positions by that Fund;
- (2) Deleting the appropriations for the Hawaii Strategic Development Corporation Revolving Fund for use for the HI-Growth Initiative;
- (3) Deleting the appropriation for the repair and maintenance of facilities of the Department of Education;
- (4) Deleting the appropriation for the repair and maintenance of facilities of the University of Hawaii;
- (5) Deleting the fiscal year 2016-2017 appropriation for the Agricultural Loan Revolving Fund;
- (6) Deleting the appropriation and the authorization to use funds saved from the lapsing of funds from health care payments for the repair and maintenance of state housing facilities of the Hawaii Public Housing Authority; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1471, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1471, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Kouchi).

Representatives Lee, Luke, Cullen and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 150 on H.B. No. 1509

The purpose of this measure is to reduce energy costs for public facilities in Hawaii by, among other things:

- (1) Requiring the University of Hawaii to establish a collective goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Requiring the University of Hawaii to submit to the Legislature an annual report on the debt service for capital improvement projects funded through a subaccount of the Green Infrastructure Special Fund, the current value of energy saved, the status of pending projects, recommendations for future projects, and overall progress toward the net-zero energy goal; and
- (3) Appropriating funds for capital improvement and energy efficiency projects in furtherance of the net-zero energy goal.

Your Committee on Conference has amended the measure by:

- (1) No longer specifying the manner by which capital improvement projects that advance the University of Hawaii's net-zero energy goal must be funded;
- (2) Decreasing the amount of required information that the University of Hawaii's annual report to the Legislature must contain;
- (3) Requiring the University of Hawaii to make improvements that advance its net-zero energy goal a priority;
- (4) Deleting the appropriations, including for the retrofit of Klum Gym at the University of Hawaii at Manoa;
- (5) Changing the effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1509, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1509, H.D. 3, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Gabbard, Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Representatives Lee, Choy, Luke, Ichiyama, Lowen and Matsumoto.

Managers on the part of the House.
Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 151 on H.B. No. 444

The purpose of this measure is to support visitor industry-related programs and projects, such as beach restoration and conservation.

More specifically, this measure:

- (1) Allocates transient accommodations tax revenues to the special land and development fund to finance beach restoration and conservation and other activities authorized under section 237D-6.5(b)(5), Hawaii Revised Statutes;
- (2) Enables the effective development and implementation of plans to slow the degradation of Hawaii beaches by including language that provides for the conservation of beaches in pertinent beach restoration statutes; and
- (3) Requires the Department of Land and Natural Resources to coordinate, where appropriate, with the counties and private-public partnerships to restore and conserve beaches.

Your Committee on Conference finds that Hawaii's beaches are an important component of Hawaii's landscape that make the State a unique place for residents and visitors. However, University of Hawaii researchers have recently determined that Hawaii's beaches are disappearing at an alarming rate. Your Committee on Conference believes that the State needs to reinvest in its beaches to conserve one of its most valuable natural resources.

Your Committee on Conference notes that the Legislature has provided funding for the protection, preservation, and enhancement of natural resources in fiscal year 2014-2015. However, for technical reasons, the \$3,000,000 in general funds set aside from the transient accommodations tax revenues under section 237D-6.5(b)(5), Hawaii Revised Statutes, for fiscal year 2014-2015 could not be expended. Your Committee on Conference believes that these moneys should be expended to implement the Legislature's policy decision to support visitor industry-related projects, such as beach conservation and restoration.

Your Committee on Conference has amended this measure by:

- (1) Making the amendments to section 237D-6.5(b), Hawaii Revised Statutes, and other pertinent beach restoration statutes to expand the uses for which transient accommodations tax revenues allocated to the special land and development fund may be used to include beach conservation (Part I), effective July 1, 2016;
- (2) Deleting amendments that would have added language regarding conservation to pertinent beach restoration statutes;
- (3) Deleting the requirement that the Department of Land and Natural Resources coordinate, where appropriate, with counties and private-public partnerships to restore and conserve beaches;
- (4) Appropriating moneys from the general fund to be expended for fiscal years 2014-2015 and 2015-2016 in accordance with section 237D-6.5(b)(5), Hawaii Revised Statutes, for visitor-industry related programs and projects, such as the protection, preservation, maintenance, and enhancement of natural resources, including beaches; and
- (5) Changing the effective date from July 1, 2050, to upon approval, except for the allocation of transient accommodations tax revenues to the special land and development fund, which shall take effect on July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 444, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 444, H.D. 3, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, Thielen, Kouchi, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Yamane, Brower, Cullen, Evans, Lee and Ward.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 2 (Lee, Ward).

Conf. Com. Rep. 152 on H.B. No. 830

The purpose of this measure is to create an exemption from the historic review requirements of section 6E-42, Hawaii Revised Statutes, for proposed projects on privately-owned single-family detached dwelling units that are not designated on or nominated for the Hawaii or National Register of Historic Places, or located in a historic district.

Your Committee on Conference finds that current application of historic preservation law requires review by the State Historic Preservation Division of the Department of Land and Natural Resources prior to the granting of permits for proposed projects on historic properties. However, in certain instances, this requirement has delayed the granting of permits for a period of many months, which has had an adverse effect on the construction industry. Your Committee on Conference believes that, by exempting certain private residences from the review process, this measure will support the economy by allowing projects on those residences to move forward without unnecessary delays.

Your Committee on Conference has amended this measure by:

- (1) Including townhouses in the proposed exemption and defining the term by reference to its definition in section 502C-1, Hawaii Revised Statutes;

- (2) Clarifying that an application for a proposed project on an existing privately-owned single-family detached dwelling unit or townhouse shall be subject to the requirements of section 6E-42, Hawaii Revised Statutes, only if the single-family detached dwelling unit or townhouse is over fifty years old and:
 - (A) Is listed on the Hawaii or National Register of Historic Places, or both;
 - (B) Is nominated for inclusion on the Hawaii or National Register of Historic Places, or both; or
 - (C) Is located in a historic district;
- (3) Making a conforming amendment to the purpose section of the measure and the title of the proposed statute to reflect the inclusion of townhouses in the exemption;
- (4) Changing the effective date to July 1, 2015; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 830, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 830, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Thielen, Tokuda, Galuteria and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Representatives Yamane, Cullen, Evans and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Evans).

Conf. Com. Rep. 153 on H.B. No. 461

The purpose of this measure is to transfer administrative responsibility for the Office of Information Practices (Office) from the Office of the Lieutenant Governor to the Department of Accounting and General Services, including:

- (1) Establishing the Office as a permanent agency; and
- (2) Clarifying the independence of the Office pursuant to the transfer, including the employment status of the Office's personnel.

Your Committee on Conference has amended this measure by changing the effective date of all sections except section 5 to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 461, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 461, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Dela Cruz, Gabbard, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Luke, Johanson and Pouha.

Managers on the part of the House.

Ayes, 2. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 154 on S.B. No. 101

The purpose and intent of this measure is to enhance budgetary stability and transparency in the appropriation of state funds and to maximize financial resources for tobacco prevention and control.

Specifically, the measure:

- (1) Amends the distribution amounts allocated from the Hawaii tobacco settlement special fund; and
- (2) Appropriates general fund revenues to fund programs and items that were formerly supported by the Hawaii tobacco settlement special fund.

Your Committee on Conference finds that the revenue stream flowing into the Hawaii tobacco settlement special fund has fluctuated over time and that the changing needs of tobacco prevention and control programs have led to significant variations in the allocations from the special fund from year to year. Your Committee on Conference believes that this measure will create greater stability in the State's management of tobacco settlement moneys and will further the State's efforts relating to tobacco prevention and control.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation amounts in section 6 of the measure to \$6,424,410 and \$6,507,305, respectively, and clarifying that the moneys are to be used to fund positions and other operating expenditures in HTH590, chronic disease prevention and health promotion, for the purposes of this measure;

- (2) Providing that funds appropriated in this measure may be transferred with the approval of the Governor to HTH590, chronic disease prevention and health promotion, in the General Appropriations Act of 2015 (H.B. No. 500, H.D. 1, S.D. 1, C.D. 1), for expenditure; and
- (3) Requiring the Department of Health to submit a report to the Legislature on the expenditure of moneys appropriated under section 6 of the measure to fund positions and other operating expenditures in HTH590, chronic disease prevention and health promotion.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 101, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 101, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Kouchi and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Luke, Johanson and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 155 on S.B. No. 1312

The purpose of this measure is to appropriate moneys to be deposited into:

- (1) The emergency and budget reserve fund to comply with the constitutional mandate to provide a tax refund or credit or make such a deposit; and
- (2) The other post-employment benefits trust fund for the prefunding of health and other benefits plan costs for retirees and their beneficiaries.

Your Committee on Conference finds that when certain economic conditions are met, article VII, section 6, of the Hawaii Constitution requires the Legislature to either provide a tax refund or tax credit to state taxpayers, or to make a deposit into one or more funds to serve as a reserve for the State. This requirement is prompted when the state general fund balances at the end of two successive fiscal years exceed five percent of the state general revenues for those fiscal years. These conditions were met at the end of fiscal years 2012-2013 and 2013-2014. However, your Committee on Conference notes that pursuant to section 328L-3(a)(3), Hawaii Revised Statutes, general funds may only be deposited into the emergency budget and reserve fund when state general fund revenues for each of the two successive fiscal years exceeds revenues for each of the preceding fiscal years by five percent. While the general fund revenues for fiscal year 2012-2013 exceeded the previous year's revenues by more than five percent, the general fund revenues for fiscal year 2013-2014 did not exceed the revenues for fiscal year 2012-2013 by more than five percent. Therefore, although the constitutional provisions have been met, the statutory requirement to make a deposit of general funds into the emergency budget and reserve fund has not.

Your Committee on Conference believes that it is preferable to make a deposit into the emergency and budget reserve fund rather than providing a tax refund or credit. By increasing the reserve fund, the State will be better able to address possible emergencies and contingencies that may occur in the future when state revenues slow down. Your Committee on Conference also finds that compliance with article VII, section 6, of the Hawaii Constitution may still be achieved via a deposit, rather than a tax credit or tax refund, through the enactment of a session law that would have the effect of amending section 328L-3(a)(3), Hawaii Revised Statutes, only for fiscal year 2014-2015.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$10,000,000 from the general revenues to be deposited into the emergency and budget reserve fund;
- (2) Deleting the appropriation to be deposited into the other post-employment benefits trust fund for the prefunding of health and other benefits plan costs for retirees and their beneficiaries; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1312, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1312, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, English, Galuteria, Riviere and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Luke, DeCoite and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 156 on S.B. No. 1299

The purpose and intent of this measure is to address budgetary planning and transparency in the disposition of conveyance tax revenues.

Specifically, the measure:

- (1) Establishes maximum amounts to be distributed to various non-general funds from the conveyance tax;
- (2) Amends the list of non-general funds that receive distributions from the conveyance tax; and
- (3) Appropriates moneys to programs that were formerly supported by the conveyance tax.

Your Committee on Conference finds that budgetary planning and transparency are key components to ensuring the ongoing fiscal health of the State. Your Committee on Conference believes that, by establishing maximum amounts to be distributed to various non-general funds from the conveyance tax, this measure will make forecasts of general fund revenues more reliable, will increase legislative oversight of agencies and programs supported by the non-general funds, and will subject those agencies and programs to competition for limited public funds if the agencies or programs want more than the amount automatically distributed to their non-general funds.

Your Committee on Conference has amended this measure by:

- (1) Replacing or changing and clarifying the measure's appropriation amounts and authorizations to provide funding as follows:
 - (A) Authorizing the Governor to transfer funds appropriated in this measure to the same program ID in the Executive Budget for natural area reserves and watershed management (LNR407);
 - (B) Deleting appropriations for the Humpback Whale Sanctuary co-manager position and ecosystem protection and restoration;
 - (C) Deleting funding for the operations of the Kure Atoll Field Station;
 - (D) Deleting funding for community fisheries enforcement units;
 - (E) Deleting funding for historic preservation positions and equipment;
 - (F) Deleting funding for the digitization of historic preservation records;
 - (G) \$2,832,996 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other operating expenditures in forestry - resource management and development (LNR172) for forest reserve management, natural area partnership, and forest stewardship programs, after joint consultation with the Forest Stewardship Committee and the Natural Area Reserves System Commission, and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (H) \$3,405,749 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other operating expenditures in the native resources and fire protection program (LNR402) for endangered species, watershed, and fire protection and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (I) \$1,500,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the native resources and fire protection program (LNR402) for fire, natural disaster, and emergency response equipment and other current expenses of the native resources and fire protection program;
 - (J) \$4,000,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the native resources and fire protection program (LNR402) to be expended as directed by the Hawaii Invasive Species Council for invasive species programs statewide and authorizing the Hawaii Invasive Species Council to transfer these funds to other state departments to implement the Council's directions;
 - (K) \$1,000,000 for FY 2015-2016 and the same sum for FY 2016-2017 for LNR - natural and physical environment (LNR906) for the Kahoolawe Island Reserve Commission;
 - (L) \$101,715 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other expenditures in LNR - natural and physical environment (LNR906) for administrative operating expenses and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (M) \$350,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the funding of soil and water conservation districts in water and land development (LNR141); and
 - (N) \$76,260 for FY 2015-2016 and \$152,520 for FY 2016-2017 to fund positions to support the implementation of the Hawaii ocean resources management plan in ecosystem protection and restoration (LNR401); and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1299, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1299, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz and Kouchi.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Yamane, Luke, Johanson and Pouha.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 157 on S.B. No. 1180

The purpose of this measure is to ensure that metropolitan planning organizations in Hawaii are in compliance with federal laws by, among other things:

- (1) Creating a new chapter to govern metropolitan planning organizations and repealing chapter 279E, Hawaii Revised Statutes, entitled "Metropolitan Planning Organization";
- (2) Requiring metropolitan planning organizations to submit annual reports to the Legislature;
- (3) Appropriating funds from the state highway fund into the metropolitan planning organization revolving fund; and
- (4) Appropriating funds from the metropolitan planning organization revolving fund to be expended by the Department of Transportation for the purposes of this measure.

Your Committee on Conference finds that federal laws require that metropolitan planning organizations be designated based on a minimum population threshold as defined in federal law to act as a decision-making agency and to receive certain funds for the purpose of carrying out a continuing, cooperative, and comprehensive transportation planning process.

Your Committee on Conference further finds that existing state law conflicts with current federal transportation regulations. This conflict needs to be rectified in order for the Oahu Metropolitan Planning Organization to maintain its federal Transportation Management Area certification. In urban areas containing more than 200,000 residents, the Federal Highway Administration and Federal Transit Administration jointly review and certify metropolitan planning organization operations at least every four years. In 2014, a joint certification review of the Oahu Metropolitan Planning Organization found that portions of the Hawaii Revised Statutes governing metropolitan planning organizations were in conflict with federal regulations and suggested corrective action, including amending state law.

Your Committee on Conference notes that, a failure to address conflicts between state law and federal regulations will result in the decertification of the Oahu Metropolitan Planning Organization which has the immediate effect of the withholding of up to twenty percent of the federal surface transportation funds normally attributable to Oahu, an amount calculated to be around \$12,000,000 annually, which impacts roadway and transit funding.

Your Committee on Conference has amended this measure by:

- (1) Renaming the transportation management area metropolitan planning organization revolving funds to the Oahu transportation area metropolitan planning organization revolving fund;
- (2) Clarifying that the Oahu transportation management area metropolitan planning organization revolving fund shall be administered by the Department of Transportation;
- (3) Adding language to clarify that except as otherwise provided by federal law, expenditures from the Oahu transportation management area metropolitan planning organization revolving fund may be made; provided that no expenditure shall be made from and no obligation shall be incurred against the revolving fund in excess of the amount standing in the revolving fund or for any purpose for which the revolving fund may not lawfully be expended;
- (4) Clarifying that nothing shall require the proceeds of Oahu transportation management area metropolitan planning organization revolving fund to be reappropriated annually;
- (5) Clarifying that the annual reports to the Legislature are due twenty days prior to the convening of each regular session starting with the regular session of 2016;
- (6) Adding language to transfer, upon repeal of chapter 279E, Hawaii Revised Statutes, the balance of monies remaining in the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund, and transferring any expenses and liabilities of the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund;
- (7) Inserting an appropriation amount of \$500,000 for fiscal year 2015-2016, to be deposited into the Oahu transportation management area metropolitan planning organization revolving fund for expenditure by the Oahu metropolitan planning organization;
- (8) Deleting the appropriation out of the metropolitan planning organization revolving fund;
- (9) Changing the effective date to July 1, 2015; and
- (10) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1180, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1180, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Espero, Harimoto, Inouye and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Espero, Slom).

Representatives Aquino, Cullen, LoPresti and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 158 on S.B. No. 213

The purpose of this measure is to require the Department of Public Safety (Department), no later than six months of the effective date of this measure, to send written notice to those defendants who had terms of imprisonment imposed prior to June 18, 2008:

- (1) Notice that the Department may recalculate the multiple terms of imprisonment imposed on the defendant; and
- (2) Notice of the defendant's right to have the court review the defendant's sentence.

Your Committee on Conference finds that prior to 2008, section 706-668.5, Hawaii Revised Statutes, relating to imposition of multiple terms of imprisonment, provided that the terms run consecutively unless the court specifically ordered that the terms run concurrently. Act 193, Session Laws of Hawaii 2008, amended section 706-668.5, Hawaii Revised Statutes, and provided that multiple terms of imprisonment run concurrently unless the court specifically orders that the terms run consecutively. This measure attempts to bring parity to the treatment of defendants sentenced to multiple terms prior to the effective date of Act 193, which is June 18, 2008, and those sentenced to multiple terms after that date while providing defendants with adequate notice regarding the possibility of their multiple terms of imprisonment being recalculated by the Department and their rights to have the court review their sentences.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Department to post written notice in all inmate housing units and the facility library at each correctional facility for a period of two months;
- (2) Requiring the Department to send written notice no later than January 1, 2016, rather than within six months of the effective date of this measure, to defendants with terms of imprisonment imposed prior to June 18, 2008; and
- (3) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 213, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 213, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Espero, Harimoto, Dela Cruz and Slom.

Managers on the part of the Senate.

Ayes, 4. Noes, none. Excused, 1 (Espero).

Representatives Takayama, Rhoads, Johanson, Woodson and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Woodson).

Conf. Com. Rep. 159 on S.B. No. 1083

The purpose of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost adjustments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Hawaii Government Employees Association and the public employers executed a supplemental agreement concerning collective bargaining unit (8). This measure provides costs item amounts for appropriation.

Your Committee on Conference has amended this measure by adopting language submitted by the Governor that:

- (1) Deletes language that appropriates unspecified amounts for salary adjustments and other cost adjustments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017;
- (2) Inserts language that appropriates specific amounts for health premium payments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017; and
- (3) Makes technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1083, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1083, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 160 on S.B. No. 654

The purpose of this measure is to amend the provisions relating to anonymous contributions by reducing the threshold amount a candidate may receive from ten or more persons at the same political function from \$500 to \$100.

Your Committee on Conference finds that this measure impacts the threshold amount of anonymous contributions from ten or more persons at a fundraiser, which is a limited exception to the rule that generally prohibits anonymous contributions. A reduction in the threshold amount will result in such contributions being listed in disclosure reports for monetary and non-monetary contributions of less than \$100 rather than the Schedule A reports.

Your Committee on Conference has amended this measure by inserting an effective date of January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 654, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 654, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs and Speaker of the House of Representatives on behalf of the Committee.

Senators Keith-Agaran, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Cachola, Tokioka and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 161 on S.B. No. 1072

The purpose of this measure is to make an emergency appropriation of an unspecified amount for fiscal year 2014-2015 to the Department of the Attorney General for expenses related to major litigation involving the State.

Your Committee on Conference finds that the Department of the Attorney General anticipates incurring several major litigation expenses for the retention of expert witnesses and specialized legal counsel. This measure will supplement the normal annual litigation budget used by the Department of the Attorney General to fund litigation expenses.

Your Committee on Conference has amended this measure by inserting an amount of \$1,000,000 as an emergency appropriation to the Department of the Attorney General for expenses related to major litigation involving the State.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1072, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1072, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Ihara, Shimabukuro and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Representatives Rhoads, Luke, San Buenaventura and Thielen.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 162 on S.B. No. 1077

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (2) for fiscal biennium 2015-2017 and their excluded counterparts.

Your Committee on Conference finds that negotiations for collective bargaining unit (2) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining unit (2).

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining unit (2). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1077, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1077, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Shimabukuro).

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 163 on S.B. No. 1084

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other items for public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (9) have been completed and that the State received notice of ratification by collective bargaining unit (9) on April 17, 2015.

Your Committee on Conference has amended this measure by:

- (1) Reflecting the terms of the agreement ratified by collective bargaining unit (9); and
- (2) Making this measure effective on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1084, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1084, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Shimabukuro).

Representatives Nakashima, Luke, Nishimoto and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 164 on S.B. No. 555

The purpose of this measure is to relieve the tax burden on low-income individuals and families by amending the refundable food/excise tax credit.

Specifically, this measure separately sets forth the amount of the tax credit available to taxpayers filing as heads of households or as married couples filing separate or joint returns, and provides unspecified credit per exemption amounts.

Your Committee on Conference finds that Hawaii has the nation's highest cost of living and that the refundable food/excise tax credit was originally devised to alleviate that financial burden. Your Committee on Conference further finds that the refundable food/excise tax credit should be updated to retain value for low-income individuals and working families.

Your Committee on Conference has amended this measure by:

- (1) Inserting credit per exemption dollar amounts;
- (2) Repealing the residency requirement for qualifying for the tax credit; and
- (3) Providing for the repeal of this measure on December 31, 2017.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 555, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 555, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Espero, Riviere, Ruderman and Slom.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Ruderman, Slom).

Representatives Johanson, Kobayashi and Pouha.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 165 on S.B. No. 160

The purpose of this measure is to:

- (1) Establish the University of Hawaii Quasi-endowment Trust Fund;
- (2) Repeal various non-general funds and accounts that no longer serve their intended purpose and transfer the unencumbered balances to the general fund; and
- (3) Reclassify certain special funds as revolving funds that still serve their intended purpose but function as and meet the criteria as revolving funds.

Your Committee on Conference finds that a recent Auditor's report recommended that the University of Hawaii's quasi-endowment income and scholarship revolving fund be terminated because it did not meet certain statutory criteria. This measure statutorily establishes the fund as a trust fund, thereby meeting the necessary statutory requirements and allowing the University of Hawaii to continue funding the services supported by the University of Hawaii-established quasi-endowment income and scholarship revolving fund.

Your Committee on Conference further finds that timely review and consideration of the University of Hawaii's special funds facilitates the efficient and effective use of State funds and ensures that each non-general fund continues to serve the purpose for which it was created. Accordingly, this measure also reclassifies special funds that are essential to their respective program areas while repealing those found to be no longer necessary or not meeting the criteria for continuance under law.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have reclassified the community colleges special fund as a revolving fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 160, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 160, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs and Senate Majority Leader on behalf of the Committee.

Senators Taniguchi, Inouye and Slom.

Managers on the part of the Senate.

Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Choy, Jordan, Ichiyama, Yamashita and Tupola.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 166 on H.B. No. 134

The purpose of this measure is to extend the county surcharge on state general excise and use taxes, which was enacted by Act 247, Session Laws of Hawaii 2005 (Surcharge). Among other things, this measure:

- (1) Caps the maximum authorized Surcharge rate at one-half percent and amends the purposes for which Surcharge revenues may be used;
- (2) Authorizes the extension of the Surcharge by a county that has already adopted an ordinance from January 1, 2023, until December 31, 2027, while limiting the use of Surcharge revenues to capital costs;
- (3) Authorizes counties that have not yet established a Surcharge to do so, subject to certain requirements; and
- (4) Requires certain actions by the board of the transit agency that is constructing the locally preferred alternative for a mass transit project funded by the Surcharge.

After careful deliberation, your Committee on Conference has amended this measure by:

- (1) Delaying the date when an adopted Surcharge may be collected by an additional year to January 1, 2018;
- (2) Clarifying that “public lands” include the air rights over county mass transit projects in the State;
- (3) Removing the requirement that the board of directors of a transit agency constructing a locally preferred alternative for a mass transit project conduct annual audits and submit reports;
- (4) Requiring that the Surcharge cannot be levied prior to:
 - (A) January 1, 2007, if the Surcharge was established by an ordinance adopted prior to December 31, 2005; or
 - (B) January 1, 2018, if the Surcharge was established by an ordinance adopted after June 30, 2015, but prior to July 1, 2016; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 134, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 134, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Espero, Tokuda, Harimoto and Kouchi.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Luke, Aquino, Onishi and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 167 on S.B. No. 284

The purpose of this measure is to protect and preserve important natural resources in the State by:

- (1) Assisting in the acquisition of a conservation easement in Turtle Bay, Oahu; provided that there is a contract to acquire the Turtle Bay conservation easement by December 31, 2015. Among other things, this measure:
 - (A) Allocates transient accommodations tax (TAT) revenues to the Turtle Bay Conservation Easement Special Fund;
 - (B) Authorizes the Department of Budget and Finance to issue reimbursable general obligation bonds used to acquire the conservation easement;
 - (C) Requires the Department of Budget and Finance to transfer the conservation easement to the Department of Land and Natural Resources; and

- (D) Annually allocates TAT revenues to the Department of Budget and Finance to reimburse the general fund regarding the reimbursable general obligation bonds; and
- (2) Requiring the Office of Planning to investigate the possible acquisition or exchange of lands owned by Dole Food Company, Inc. for agricultural production.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the Department of Budget and Finance to issue \$35,000,000 in reimbursable general obligation bonds and to deposit the proceeds into the Turtle Bay Conservation Easement Special Fund;
- (2) Appropriating \$35,000,000 out of the Turtle Bay Conservation Easement Special Fund to finance the acquisition of the conservation easement and other real property interests at Turtle Bay, Oahu (Turtle Bay Easement);
- (3) Allocating TAT revenues of \$1,500,000 annually to the Turtle Bay Conservation Easement Special Fund;
- (4) Providing that a nonprofit land conservation organization file an application annually with the Board of Land and Natural Resources requesting \$1,500,000 from the Land Conservation Fund to be used for the reimbursement of debt service on the Turtle Bay reimbursable general obligation bonds;
- (5) Appropriating \$3,000,000 out of the Turtle Bay Conservation Easement Special Fund to reimburse the state general fund for payment of debt service on the reimbursable general obligation bonds;
- (6) Appropriating \$500,000 from TAT revenues to the Department of Land and Natural Resources to pay for appraisal, due diligence, and closing costs relating to the acquisition of the Turtle Bay Easement;
- (7) Removing the provision requiring the Office of Planning to investigate the possible acquisition or exchange of lands owned by Dole Food Company, Inc. for agricultural production;
- (8) Making the provision exempting the Turtle Bay Conservation Easement Special Fund from sections 36-27 and 36-30, Hawaii Revised Statutes, take effect on July 1, 2015; and
- (9) Making other technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee on Conference notes that this measure requires a nonprofit land conservation organization to file an application annually with the Board of Land and Natural Resources requesting a \$1,500,000 grant from the Land Conservation Fund to be used for the reimbursement of debt service on the Turtle Bay reimbursable general obligation bonds until such bonds are fully amortized. Your Committee on Conference understands that the Trust for Public Land will be the nonprofit land conservation organization filing such applications. While one Legislature cannot bind another Legislature, your Committee on Conference respectfully requests that future legislators monitor the diligence and efforts of the Trust for Public Land to secure such grants.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 284, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 284, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kahele, Thielen, Tokuda, English and Slom.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Yamane, Tsuji, Brower, Luke, Cullen, Yamashita and Pouha.

Managers on the part of the House.

Ayes, 6. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 168 on S.B. No. 1078

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (3) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that negotiations for collective bargaining units (3) and (4) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining units (3) and (4). Your Committee on Conference further finds that although a tentative agreement has not been reached for bargaining unit (14), by law, bargaining unit (14) is entitled to the same terms as bargaining units (3) and (4) until a contract is negotiated.

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining units (3) and (4) and applied to bargaining unit (14). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1078, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1078, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 169 on S.B. No. 1079

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that negotiations for collective bargaining units (3) and (4) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining units (3) and (4). Your Committee on Conference further finds that although a tentative agreement has not been reached for bargaining unit (14), by law, bargaining unit (14) is entitled to the same terms as bargaining units (3) and (4) until a contract is negotiated.

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining units (3) and (4) and applied to bargaining unit (14). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1079, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1079, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 170 on H.B. No. 321

The purpose of this measure is to establish a system of medical marijuana dispensaries and cultivation and manufacturing sites in the State.

More specifically, this measure:

- (1) Establishes licensing and regulatory schemes for the operation of dispensaries;
- (2) Requires that an applicant for a dispensary license be a health care provider organized in the State;
- (3) Establishes the following fees:
 - (a) A non-refundable \$25,000 dispensary license application fee;
 - (b) An additional \$75,000 fee for each license approved; and
 - (c) A \$25,000 fee for each retail dispensing location allowed under each approved license;
- (4) Allows qualifying patients from other states to purchase medical marijuana from licensed dispensaries in this State;
- (5) Requires the Department of Health to engage in public education and training regarding medical marijuana;
- (6) Allows the manufacture of certain medical marijuana products;
- (7) Requires the Department of Health to establish standards regarding the advertising and packaging of medical marijuana products;
- (8) Requires the Department of Health to adopt interim rules regarding:
 - (a) Annual audits and reports pertaining to each licensed dispensary;
 - (b) Security requirements for the operation of dispensaries;
 - (c) Standards and criminal background checks for operators and employees of dispensaries;
 - (d) Training and certification of operators and employees of dispensaries;
 - (e) Types of medical marijuana products that dispensaries shall be authorized to grow, manufacture, sell, or provide;
 - (f) Standards and methodologies related to testing medical marijuana products for content, contamination, and consistency;
 - (g) Quantities of manufactured marijuana products that a dispensary may dispense to a qualifying patient or primary caregiver;
 - (h) Inventory controls to prevent the unauthorized diversion of marijuana or the dispensing of quantities that exceed established limits;
 - (i) Destruction or disposal of any marijuana products; and
 - (j) Limitations to the size or format of any signs placed outside a dispensary;

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- (9) Requires the Department of Health to adopt rules to implement dispensary licensure and establish standards;
 - (10) Prohibits a qualifying patient or primary caregiver from:
 - (a) Withholding information regarding prior dispensary visits for the purpose of obtaining quantities of medical marijuana or manufactured marijuana products that exceed established limits; or
 - (b) Obtaining or attempting to procure any medical marijuana or marijuana product from a dispensary by fraud, deceit, embezzlement, forgery, furnishing false information, or altering or unlawfully distributing, possessing, or selling a state-issued medical use of marijuana card;
 - (11) Prohibits the use of flammable solvents to extract tetrahydrocannabinol by a dispensary, qualifying patient, or primary caregiver;
 - (12) Provides for the revocation and suspension of dispensary licenses for violations;
 - (13) Requires dispensaries to comply with all county zoning ordinances, rules, or regulations; specifies that dispensaries shall be permitted in areas where agricultural production is permitted and shall not be permitted within seven hundred fifty feet of a playground, public housing project, or school;
 - (14) Requires dispensaries to allow inspections and have annual financial audits conducted;
 - (15) Requires the Department of Health to annually report to the Governor and the Legislature on the establishment and regulation of dispensaries;
 - (16) Specifies that qualifying patients and primary caregivers shall retain the authority to grow and manufacture an adequate supply of medical marijuana;
 - (17) Requires the Department of Health to initiate dialogue with federal and state agencies to identify processes and policies to ensure the privacy of patients and compliance with state laws and regulations;
 - (18) Prohibits:
 - (a) An unauthorized person to enter or remain at a dispensary;
 - (b) Distribution of marijuana and marijuana products to an unauthorized minor;
 - (c) Failure to securely store marijuana, marijuana products, or marijuana concentrate;
 - (d) Unauthorized diversion of marijuana from a dispensary; and
 - (e) Alteration or falsification of dispensary records;
 - (19) Provides law enforcement agencies with access to dispensary records;
 - (20) Prohibits any law, county ordinance, or rule from prohibiting the use of land for dispensaries; provided that the land is otherwise zoned for agriculture, manufacturing, or retail purposes;
 - (21) Provides that the medical marijuana registry special fund shall include sub-accounts for the deposit of licensing fees collected from dispensaries and production centers, and re-names the special fund the medical marijuana registry and regulation special fund;
 - (22) Establishes affirmative defense protections for an owner or employee of a licensed dispensary to a prosecution involving marijuana;
 - (23) Provides that an adequate supply of marijuana may include manufactured marijuana products containing the equivalent of four ounces of usable marijuana;
 - (24) Clarifies that qualifying medical marijuana patients and primary caregivers may transport medical marijuana in any public place;
 - (25) Allows any licensed physician with a bona fide physician-patient relationship with a qualifying patient, rather than only the qualifying patient's primary care physician, to issue a written certification for the use of medical marijuana;
 - (26) Establishes a fifteen percent special general excise tax on marijuana sales by a dispensary;
 - (27) Establishes a ten percent retail marijuana special sales tax on the gross proceeds of sales by a dispensary;
 - (28) Appropriates \$750,000 of general revenues into the medical marijuana registry and regulation special fund;
 - (29) Appropriates an unspecified amount from the medical marijuana registry and regulation special fund to implement this measure, including the hiring of full time personnel;
 - (30) Provides that by no later than July 1, 2016, the Department of Health is required to establish and commence a repayment plan for the general funds deposited into the medical marijuana registry and regulation special fund; and
 - (31) Requires the Director of Health to report and provide an informational briefing no later than March 15, 2016, to the Legislature regarding the implementation of medical marijuana dispensaries.

Your Committee on Conference finds that Hawaii's medical use of marijuana law was enacted on June 14, 2000, as Act 228, Session Laws of Hawaii 2000, to provide medical relief for seriously ill individuals in the State but did not provide a legal way for

those individuals to obtain medical marijuana. Many patients who are qualified to use medical marijuana lack the ability to grow their own supply.

Your Committee on Conference also finds that in April of 2014, the Legislature approved House Concurrent Resolution No. 48, House Draft 1, Senate Draft 1, requesting the convening of a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana. A medical marijuana dispensary task force that included health officials, qualifying medical marijuana patients, law enforcement leaders, legislators, and other stakeholders was duly convened and met from June of 2014 to January of 2015 to engage in extensive discussions, examine medical marijuana laws and policies from other states, gather input from experts, and review comprehensive and updated reports by the Legislative Reference Bureau and the State Auditor. The task force voted on and approved thirty-eight recommendations related to the establishment of a regulated statewide dispensary system for medical marijuana.

Your Committee on Conference also finds that the medical marijuana dispensary task force recommendations provided crucial guidance for the formulation of this measure, which also takes into account many suggestions, concerns, and criticisms from other stakeholders.

Your Committee on Conference further finds that licensed medical marijuana dispensaries should be authorized under a vertical integration licensing scheme to cultivate marijuana and manufacture specified medical marijuana products in addition to dispensing medical marijuana and medical marijuana products. Licensing regulations should ensure that licenses are granted to Hawaii residents and to entities that have adequate access to capital, that are organized under the laws of the State, and in which a majority of Hawaii residents exercise control.

Your Committee on Conference has amended this measure by:

- (1) Providing that eight dispensary licenses shall be issued in the State; provided that three shall be issued for the City and County of Honolulu, two shall be issued for the County of Hawaii, two shall be issued for the County of Maui, one shall be issued for the County of Kauai, and none shall be issued for the County of Kalawao;
- (2) Authorizing dispensary licensees to own, operate, or subcontract up to two production centers and up to two retail dispensing locations;
- (3) Deleting the requirement that a licensee be a health care provider;
- (4) Prohibiting any single person from obtaining a dispensary license in more than one county;
- (5) Authorizing the operation of up to two production centers per dispensary license, with a total of not more than three thousand marijuana plants per production center, under each dispensary license;
- (6) Authorizing each dispensary licensee to operate up to two retail dispensing locations under the licensee's license;
- (7) Authorizing each licensee to commence dispensing medical marijuana and manufactured marijuana products on July 15, 2016;
- (8) Prohibiting a dispensary from being located at the same place as a licensee's production center;
- (9) Authorizing the Department of Health to determine, based on qualifying patient need, whether additional licenses shall be offered after October 1, 2017;
- (10) Requiring that each application for a license include both an individual applicant and an applying entity;
- (11) Establishing criteria for license applications to require that an individual applicant:
 - (a) Be a legal resident of the State for not less than five years preceding the date of applicant;
 - (b) Be not less than twenty-one years of age; and
 - (c) Have no felony convictions;
- (12) Establishing criteria for license applications to require that an entity applicant:
 - (a) Be organized under the laws of the State;
 - (b) Have a Hawaii tax identification number;
 - (c) Have a Department of Commerce and Consumer Affairs Business Registration Division number and suffix;
 - (d) Have a federal employer identification number;
 - (e) Be not less than fifty-one percent held by Hawaii legal residents or entities wholly controlled by Hawaii legal residents who have been Hawaii legal residents for at least the five years immediately preceding years;
 - (f) Have at least \$1,000,000 under its control for each license applied for, plus at least \$100,000 available for each retail dispensing location allowed under the license applied for; and
 - (g) Be comprised of principals or members who have no felony convictions;
- (13) Changing the non-refundable application fee from \$25,000 to \$5,000;
- (14) Deleting the \$25,000 fee for each retail dispensing location allowed under each approved license;
- (15) Further specifying license application requirements and verification procedures;

- (16) Providing that an application that has been verified to meet minimal licensing requirements shall be placed in an application pool for further review by the Department of Health and selection based on merit;
- (17) Limiting dispensary operating hours;
- (18) Prohibiting a dispensary from:
 - (a) Providing written certification for the use of medical marijuana;
 - (b) Employing any person under the age of twenty-one;
 - (c) Providing free samples of marijuana or manufactured marijuana products;
 - (d) Allowing the consumption of marijuana or manufactured marijuana products on dispensary premises;
 - (e) Transporting marijuana or manufactured marijuana products to another county or island;
 - (f) Providing off-premises delivery of marijuana or manufactured marijuana products to caregivers or patients; and
 - (g) Displaying marijuana or manufactured marijuana products in public view;
- (19) Establishing certain minimum standards for rules to be adopted by the Department of Health regarding dispensary licensure;
- (20) Establishing certain restrictions for the packaging of manufactured marijuana products;
- (21) Prohibiting the transportation of any medical marijuana or medical marijuana products to, from, or within any federal fort or arsenal, national park or forest, any other federal enclave, or any other property possessed or occupied by the federal government;
- (22) Establishing limits on the size and contents of any signage posted by a dispensary; provided that any law or ordinance that is more restrictive shall govern;
- (23) Deleting the fifteen percent special general excise tax on marijuana sales by a dispensary;
- (24) Deleting the ten percent retail marijuana special sales tax on the gross proceeds of sales by a dispensary;
- (25) Changing the prohibition on the use of flammable solvents to extract tetrahydrocannabinol to instead prohibit the use of butane for that purpose;
- (26) Prohibiting a qualifying patient from obtaining medical marijuana or manufactured marijuana products after December 31, 2018, from any source other than a licensed dispensary or by personally cultivating the marijuana; provided that a primary caregiver may cultivate marijuana after December 31, 2018, for a qualifying patient:
 - (a) Who is a minor or an adult lacking legal capacity and the primary caregiver is the parent, guardian, or person having legal custody over that minor or person; or
 - (b) Who is located on any island on which there is no licensed medical marijuana dispensary;
- (27) Expanding the definition of "debilitating medical condition" for purposes of authorizing medical marijuana use to include post-traumatic stress disorder;
- (28) Deleting the prohibition on the failure to securely store marijuana, marijuana products, or marijuana concentrate;
- (29) Prohibiting unauthorized access to production center premises;
- (30) Expanding the Department of Health's authority to conduct criminal background checks;
- (31) Inserting \$750,000 as the amount appropriated from the medical marijuana registry and regulation special fund to implement this measure, including the hiring of full time personnel; and
- (32) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 321, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 321, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Keith-Agaran, Tokuda, Gabbard and Ihara.

Managers on the part of the Senate.

Ayes, 5. Noes, none. Excused, none.

Representatives Belatti, Rhoads, Luke, San Buenaventura, Takayama and Fukumoto Chang.

Managers on the part of the House.

Ayes, 6; Ayes with Reservations (Fukumoto Chang). Noes, none. Excused, none.

STANDING COMMITTEE REPORTS

SCRep. 1 Judiciary and Labor on S.B. No. 100

The purpose and intent of this measure is to correct a statement in part VI of Act 134, Session Laws of Hawaii 2014, relating to the appropriation for a study on joint investment information and service sharing by the Employees' Retirement System and Hawaii employer-union health benefit trust fund.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 100, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 100, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2 Judiciary and Labor on S.B. No. 133

The purpose and intent of this measure is to allow the courts to decree a forfeiture of benefits by an Employees' Retirement System member, former member, or retirant upon a conviction of a felony and finding that the felony is related to the member, former member, or retirant's employment by the State or any county.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 133, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 133, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3 Transportation on S.B. No. 16

The purpose and intent of this measure is to:

- (1) Provide a definition of "vehicle owner", "hooked up", and "scene" for purposes of recovering a towed motor vehicle;
- (2) Allow a towing charge of \$30 for difficult hookups; and
- (3) Require a date and time stamped photograph of the hooked up vehicle, showing the license plate of the vehicle, when the owner appears on the scene, as evidence that the vehicle is hooked up.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and Honolulu Police Department. Your Committee received testimony in opposition to this measure from Solid Towing LLC. Your Committee received comments on this measure from Ace Towing Services, Waialae Towing, and one individual.

Your Committee finds that current law is in need of clarification with regard to when a "hookup" occurs, what constitutes the "scene" from which a tow is initiated, and who is the "vehicle owner" that is entitled to have the vehicle released from the towing company.

Testimony from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs indicates that it receives numerous complaints from consumers concerning tow company practices. The Honolulu Police Department testified that it often has to settle disputes at a scene between tow companies and consumers.

Your Committee has amended this measure by amending the definition of "scene" to clarify that the term refers to the following when a vehicle is being towed:

- (1) A parking stall on a public street or in a public or private parking lot;
- (2) A particular spot on any property; or
- (3) A spot that is curbside on a street in the case of a vehicle blocking a driveway, including partially.

Your Committee further clarified that the "scene" includes a radius of four feet around the vehicle being towed, unless the vehicle is on a public street or blocking a driveway.

Your Committee believes that the measure, as amended, clarifies the rights of consumers and the duties of tow companies, and that consumer complaints should significantly diminish as a result. The amendment received the support of the stakeholders, including the Office of Consumer Protection of the Department of Commerce and Consumer Affairs. However, your Committee cautions that while other issues with this measure were raised, your Committee believes those issues are under the purview of the Committee on Commerce and Consumer Protection.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 16, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 16, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 4 Transportation on S.B. No. 98

The purpose and intent of this measure is to establish the offense of endangering public transportation as a class C felony when a person tampers with a public highway or a facility of public transportation, with intent to cause any damage, malfunction, nonfunction, theft, or unauthorized removal of material which would result in the creation of a substantial risk of death or serious bodily injury to anyone.

Your Committee received testimony in support of this measure from the Department of Transportation, Department of Transportation Services of the City and County of Honolulu, and Honolulu Police Department.

Your Committee finds that this measure is intended in part, to address the theft of copper wiring along highways. Your Committee further finds that the theft of copper wiring and vandalism of conduits along the highways creates dangerous conditions for motorists while the highway lights are out. In addition, stolen copper is costly to replace. This measure provides another tool for the prosecution of persons who intentionally remove such material without authorization.

Your Committee notes that a similar statute exists that establishes the offense of theft of copper as a class C felony; however your Committee defers to your Committee on Judiciary and Labor to address this potential issue if it chooses to hear this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 98 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 5 Transportation on S.B. No. 150

The purpose and intent of this measure is to require any person who is eligible to vote and applies for a motor vehicle driver's license, provisional license, instruction permit, or civil identification card to be automatically registered to vote if that person is not already registered to vote.

Your Committee received testimony in support of this measure from the Office of Elections, Elections Division of the Office of the County Clerk for the County of Kauai, The Center for Popular Democracy, League of Women Voters, and one individual.

Your Committee finds that voter registration, as a percentage of eligible voters, is dismally low in Hawaii compared to other states. Automatic voter registration upon application for a motor vehicle driver's license, provisional license, instruction permit, or civil identification card is an ideal way to register more voters.

Your Committee has amended this measure on the recommendation of the Office of Elections by deleting the requirement for automatic registration and inserting language that conforms with the National Voter Registration Act by specifying that an affidavit on application for voter registration shall be part of the application associated with the issuance of a driver's license and civil identification card.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 150, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 150, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 6 Judiciary and Labor on S.B. No. 249

The purpose and intent of this measure is to require, beginning with fiscal year 2016-2017, reimbursements from a non-general or federal fund to the general fund for the annual required contribution made for state employees or retirees whose compensation is or was paid from the non-general or federal fund.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii System.

Your Committee notes that upon questioning from the Chair, the Director of Finance expressed concern that this measure may hamper the timeliness of reimbursements that is currently done on a monthly basis. Further, the State has obtained approval for a fringe benefit rate for calculating other post-employment benefit reimbursements from the federal government, so requiring the Director to establish a formula for reimbursements may actually hamper that process. Your Committee encourages your Committee on Ways and Means to give consideration to whether this measure would hamper the process for reimbursement currently in place if it chooses to schedule this measure for a hearing.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 249, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 7 Judiciary and Labor on S.B. No. 158

The purpose and intent of this measure is to require the six-year program and financial plan and budget to include information on pension liability and other post-employment benefits liability.

Your Committee received comments on this measure from the Department of Budget and Finance.

Given the substantial balances of the pension and other post-employment benefits liabilities, your Committee finds it prudent to include information on these liabilities in the State's budget documents. However, the Employees' Retirement System testified that due to timing issues, it may not be able to provide the information for the most recently completed fiscal year.

Your Committee has amended this measure consistent with the commentary from the Department of Budget and Finance by:

- (1) Amending the description of the information on pension and other post-employment benefit liabilities required to be included in the program and financial plan and budget;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 158, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 158, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 8 Judiciary and Labor on S.B. No. 139

The purpose and intent of this measure is to:

- (1) Require each director of a central personnel agency for a jurisdiction to review positions exempt from the requirements of chapter 76, Hawaii Revised Statutes, between June 30, 2002, and July 1, 2014, to determine whether the position should remain exempt;
- (2) Remove the requirement that a person holding an exempt position for at least one year prior to that position being replaced by a civil service position be appointed to that civil service position after meeting certain qualifications; and
- (3) Require that the Director of Human Resources Development submit to the Legislature a report of findings based on the review of exempt positions required by section 76-16(g), Hawaii Revised Statutes.

Your Committee received comments on this measure from the Office of the Auditor and Department of Human Resources Development.

Your Committee finds that although the civil service system is intended to implement a fair system of selection for public employees, state law has also accommodated thousands of civil service exemptions. This measure is part of a continuing effort by the State to curb the use of exempt positions and better utilize the civil service system.

Your Committee has amended this measure, consistent with the commentary from the Department of Human Resources Development, by:

- (1) Extending the deadline for the Director of Human Resources Development to file the report to the Legislature to twenty days prior to the 2017 Regular Session;
- (2) Extending the repeal date of the required conversion of certain exempt positions to civil service appointments to July 1, 2017, to provide an additional year to assess the impact of the amendment to section 76-16, Hawaii Revised Statutes; and
- (3) Inserting an effective date of January 7, 2059 to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 139, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 139, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 9 Education on S.B. No. 857

The purpose and intent of this measure is to continue to allow the Department of Education to preaudit payments of \$10,000 or more and a sampling of at least five percent of payments of less than \$10,000 to determine the propriety of expenditures and ensure compliance with executive orders and rules until June 30, 2020.

Your Committee received testimony in support of this measure from the Department of Education.

Your Committee finds that the Department of Education's personnel resources would be overburdened if tasked with preauditing every transaction processed by the Department of Education, and that the existing practice of preauditing payments over \$10,000 and a sampling of at least five percent of payments under \$10,000 has been a manageable alternative for the Department of Education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 857 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 10 Human Services and Housing on S.B. No. 970

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation to issue revenue bonds to finance the rental housing trust fund; and
- (2) Allow up to \$5,000,000 of conveyance tax revenues to be deposited into the rental housing trust fund to be used to repay revenue bonds and refunding revenue bonds issued to finance the rental housing trust fund.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawai'i, Chamber of Commerce Hawaii, Partners in Care, PHOCUSED, Building Industry Association of Hawaii, and one individual. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that rental units are the greatest demand for low-income households; however, the market does not normally build for this population. The rental housing trust fund is critical because it is the only financing mechanism for households at thirty percent of the area median income or below. With nearly seventy-eight percent of extremely low-income households paying more than half of their income in rent, there is a need to timely create thousands of units of affordable rentals.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 970 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 11 Human Services and Housing on S.B. No. 971

The purpose and intent of this measure is to:

- (1) Require each rental housing project with a general excise tax exemption to enter into a regulatory agreement with the Hawaii Housing Finance and Development Corporation to ensure the project's continued eligibility for the tax exemption; and
- (2) Establish minimum terms for the agreements depending on the type of project.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that encouraging private sector investment and construction of rental housing for Hawaii's families is critical. According to the Hawaii Housing Planning Study in 2011, there is an estimated need for over 13,000 rental units by 2016 for households at or below eighty percent of the area median income. Of those needed rental units, nearly seventy-five percent are needed by households at or below fifty percent of the area median income.

Your Committee has amended this measure by deleting its contents and replacing them with the contents of S.B. No. 1075, Regular Session of 2015, which ensures that certain eligible housing projects will remain affordable for certain minimum periods in order to be certified for exemption from general excise taxes.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 971, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 971, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 12 Human Services and Housing on S.B. No. 975

The purpose and intent of this measure is to add, beginning on January 1, 2016, a secondary preference for rental housing trust fund project applicants that receive federal low-income housing tax credits.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that affordable rental projects that have been allocated volume cap low-income housing tax credits have first priority for rental housing trust fund awards. All other eligible projects compete for any remaining available rental housing trust fund awards. This measure will provide additional incentives for the development of rental projects serving lower income households.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 975 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 13 Human Services and Housing on S.B. No. 1014

The purpose and intent of this measure is to define specific rights granted to a person who is houseless, including equal access to housing, jobs, and shelters, equal treatment by government agencies, and access to life-sustaining activities and essential services.

Your Committee received testimony in support of this measure from the GLBT Caucus of the Democratic Party of Hawaii, Hawaii Youth Services Network, Pacific Alliance to Stop Slavery, IMUAlliance, Amnesty International Honolulu Chapter, and thirteen individuals.

Your Committee finds that no person's rights, privileges, or access to public services should be denied solely because a person is houseless, and a houseless individual should be granted the same rights as any other person. Because houseless persons often experience discrimination based on their appearance or lack of permanent address, there is a need for protecting the basic human rights of the houseless.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1014 and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Green, Slom).

SCRep. 14 Human Services and Housing on S.B. No. 120

The purpose and intent of this measure is to:

- (1) Authorize the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development;
- (2) Appropriate funds for the construction of micro apartment housing units; and
- (3) Appropriate funds to the Department of Human Services to continue to administer housing first programs for chronically homeless.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, Catholic Charities Hawaii, Faith Action for Community Equity, Hawai'i Association of REALTORS, Hawaii Catholic Conference, Hawaii Primary Care Association, Partners in Care, The CHOW Project, PHOCUSED, Building Industry Association of Hawaii, Hawai'i Appleseed Center for Law and Economic Justice, and nine individuals. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments.

Your Committee has amended this measure by:

- (1) Increasing the amount of general obligation bonds authorized for issuance, the proceeds of which are for deposit into the rental housing trust fund, from \$60,000,000 to \$100,000,000;
- (2) Increasing the amount of funds appropriated out of the rental housing trust fund from \$60,000,000 to \$100,000,000 for the purposes set forth in section 201H-202, Hawaii Revised Statutes; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 120, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 15 Human Services and Housing on S.B. No. 121

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the redevelopment, design, and construction of the Hawaii Public Housing Authority's Kuhio Homes and Kuhio Park Terrace low-rise properties.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments. Furthermore, deferring maintenance of existing public housing stock may exacerbate the severe shortage of low-income rental housing. This measure provides needed funds for the redevelopment of Kuhio Park Terrace and the Kuhio Homes properties, which were built in 1965 and 1953, respectively.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 121 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 16 Human Services and Housing on S.B. No. 155

The purpose and intent of this measure is to make an appropriation for the construction of micro apartment housing units.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Department of Human Services, Catholic Charities Hawai'i, GLBT Caucus of the Democratic Party of Hawaii, Hawai'i Association of REALTORS, Hawaii Primary Care Association, Pacific Alliance to Stop Slavery, Partners in Care, PHOCUSED, Building Industry Association of Hawaii, and six individuals.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments.

Cities with high or increasing rental costs, such as Hong Kong, New York, San Francisco, and Seattle, have developed micro apartment units to provide an innovative and affordable housing option. Your Committee finds that the development of micro apartment units could improve the availability of affordable housing in Hawaii, where rent and property prices are also high.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 155 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 17 Human Services and Housing on S.B. No. 156

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the rental housing trust fund and new public housing redevelopment.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Hawaii Public Housing Authority, Catholic Charities Hawai'i, Hawai'i Association of REALTORS, Hawaii Primary Care Association, Partners in Care, and PHOCUSED. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that according to the Hawaii Housing Planning Study in 2011, there is an estimated need for over 13,000 rental units by 2016 for households at or below eighty percent of the area median income. Of those needed rental units, nearly seventy-five percent are needed by households at or below fifty percent of the area median income. Your Committee therefore finds that the financial support offered by this measure will greatly assist many of Hawaii's struggling families to achieve financial stability by expanding affordable housing opportunities.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 156 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 18 Human Services and Housing on S.B. No. 267

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds to the Hawaii Public Housing Authority to leverage funds for the redevelopment of the Mayor Wright Homes property.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments. Currently, there are only 364 units for use. However, with additional funds, the State will be able to increase the total number of available units to at least 1,500.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 267 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 19 Human Services and Housing on S.B. No. 392

The purpose and intent of this measure is to amend the income tax credit for low-income household renters to adjust for inflation.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Hawaii State Commission on the Status of Women; Americans for Democratic Action Hawaii; Catholic Charities Hawai'i; Democratic Party of Hawai'i; Hawai'i Applesseed Center for Law and Economic Justice; National Association of Social Workers, Hawaii Chapter; Partners in Care; Progressive Democrats of Hawai'i; PHOCUSED; Hawaii Women's Coalition; ILWU Local 142; GLBT Caucus, Democratic Party of Hawai'i; Hawaii State Coalition Against Domestic Violence; IMUAlliance; and ten individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the low-income household renters tax credit was established in 1977 to mitigate the high cost of housing in Hawaii. Adjusted in 1981 and 1989, the credit provides a \$50 tax credit per exemption for those taxpayers with adjusted gross incomes of less than \$30,000 who paid more than \$1,000 in rent during the tax year. This measure would adjust the credit and its income and rent thresholds for inflation, providing meaningful relief for renter households that struggle to pay rent.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 392 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

SCRep. 20 Agriculture on S.B. No. 1060

The purpose and intent of this measure is to establish a low interest biosecurity loan program to assist the livestock industry.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Hawaii Farmers Union United.

Your Committee finds that Hawaii's livestock industry is economically and culturally significant with its long paniolo history as well as providing whole hog carcasses for imus and Chinatown markets. Livestock operations are susceptible to the introduction of pests and diseases that can affect the health and welfare of the animals, and in some cases may affect the health and well-being of people who come in contact with the animals or farm products. Installing biosecurity measures serves to protect the health of poultry and livestock by reducing the introduction of diseases, pests, and pathogens into farm operations as well as reducing the spread of the diseases or pathogens to other farms. Biosecurity measures are increasingly being required by federal programs to ensure a safe food supply. While these measures help protect the farm and consumers, they often do not result in additional profits for the operation; therefore low interest loans will assist livestock operations to insure the sustainability of Hawaii's livestock industry.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1060, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1060, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Sлом).

SCRep. 21 Agriculture on S.B. No. 521

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds up to \$45,000,000 to Waimea Nui Community Development Corporation, a private not-for-profit corporation, for the planning, acquisition, and construction of agriculture, renewable energy, and educational facilities.

Your Committee received testimony in support of this measure from the Department of Agriculture, Office of Hawaiian Affairs, Waimea Nui Community Development Corporation, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Waimea Nui Community Development Corporation is a Native Hawaiian non-profit organization operating in the South Kohala district of the island of Hawaii and has developed a comprehensive agriculture and renewable energy enterprise, open to the entire Kohala region, that directly contributes to the State's economy and security through local food and energy production. Therefore, your Committee finds that the issuance of special purpose revenue bonds to the Waimea Nui Community Development Corporation is in the public interest and for the public health, safety, and general welfare.

Your Committee has amended this measure by designating that the authorization to issue special purpose revenue bonds to Waimea Nui Community Development Corporation is pursuant to part X, chapter 39A, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 521, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 521, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Sлом).

SCRep. 22 Human Services and Housing on S.B. No. 980

The purpose and intent of this measure is to provide a standardized framework and funding for afterschool programs in public middle and intermediate schools by establishing the resources for enrichment, athletics, culture, and health (or R.E.A.C.H.) program within the Office of Youth Services.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Office of Youth Services, Reach Out Hawaii, Hawaii Youth Services Network, Molokai Middle School, and twenty-three individuals.

Your Committee finds that quality afterschool programs are important to the future of Hawaii's adolescents. More than fifty-four thousand children in Hawaii are left alone and unsupervised after school, and data indicates that juvenile violence peaks in the afterschool hours on school days. In addition, Hawaii's dropout rate has reached over fifteen percent, and nearly half of high school drop outs report feeling that they started high school ill-prepared.

Your Committee finds that afterschool programs are an effective way to reduce undesirable behaviors among adolescents. Ninety-three percent of parents support public funding of afterschool programs. During a pivotal time in life, high-quality afterschool programs can lead to improved school attendance and academic performance, better behavior, and more community involvement for middle and intermediate school students. It is important to keep children engaged in positive afterschool activities because disconnected youth are more likely to become part of the juvenile justice system, and research indicates that each disconnected youth costs taxpayers nearly \$14,000 per year. In contrast, afterschool programs keep children engaged in positive activities and on a path toward graduation and productive futures.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 980 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 23 Human Services and Housing on S.B. No. 478

The purpose and intent of this measure is to appropriate funds for thirty permanent full-time equivalent multi-skilled worker civil service positions to assist the Hawaii Public Housing Authority in repair and maintenance of low-income housing properties.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received testimony in opposition to this measure from United Public Workers.

Your Committee finds that a flexible, multi-skilled workforce will allow the Hawaii Public Housing Authority to schedule and arrange staff in multiple areas of repair and maintenance that require increased manpower at any time and for any duration at low-income public housing properties. This flexibility allows the Hawaii Public Housing Authority to schedule and arrange work in accordance with the needs of the agency, maintain multiple low-income housing properties at a high level that would otherwise leave repair and maintenance idle, and focus on the living environment and safety needs of the residents at low-income public housing properties.

Your Committee has amended this measure by:

- (1) Clarifying that the thirty multi-skilled worker civil service positions requested by the Hawaii Public Housing Authority are non-exempt;
- (2) Deleting language that would have appropriated funds to establish multi-skilled worker civil service positions in the Hawaii Public Housing Authority;
- (3) Inserting language to establish thirty full-time equivalent permanent multi-skilled worker civil service positions in the Hawaii Public Housing Authority to assist and support public housing operations statewide; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 478, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 478, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 24 Human Services and Housing on S.B. No. 477

The purpose and intent of this measure is to appropriate funds to improve the quality of existing public housing stock in the State.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and Hawaii Primary Care Association.

Your Committee finds that the Hawaii Public Housing Authority is the sole statewide public housing agency of the State. The Hawaii Public Housing Authority's portfolio of 85 properties comprises 6,195 units that serve over 6,100 families or more than 18,500 individuals. The Hawaii Public Housing Authority's aging housing stock continues to have an extensive capital need that is underfunded by the United States Department of Housing and Urban Development. Additional funding is needed to modernize units to correct life, health, and safety issues and invest in accessibility and accommodation improvements.

Your Committee has amended this measure by specifying that the appropriated funds shall be used for the plans, design, construction, and equipment to develop, upgrade, or renovate public housing facilities in the State.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 477, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 477, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 25 Human Services and Housing on S.B. No. 269

The purpose and intent of this measure is to establish the process and grounds for a person to petition the court to vacate a conviction for obstructing a public place on grounds that the person was homeless at the time of committing the offense.

Your Committee received testimony in support of this measure from the GLBT Caucus of the Democratic Party of Hawaii; Hawaii Youth Services Network; Honolulu Pride; IMUAlliance; Pacific Alliance to Stop Slavery; Rainbow Family 808; Amnesty International, Honolulu Chapter; National Association of Social Workers, Hawaii Chapter; and eighteen individuals.

Your Committee finds that many homeless individuals and families are having their possessions, including important identification materials and medication, confiscated by police officers and do not have a means to pay the fine in order to claim their belongings. Furthermore, a criminal record creates barriers for homeless persons in obtaining employment, housing, or other opportunities.

Your Committee has amended this measure by:

- (1) Specifying that any person convicted of any state or county law relating to occupying a public place may also petition the court on the grounds that the person was homeless at the time of committing the offense; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 269, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 269, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Green, Slom).

SCRep. 26 Human Services and Housing on S.B. No. 973

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the redevelopment, design, and construction of the Hawaii Public Housing Authority administrative offices, the creation of public housing and affordable rental housing, and the development of a small commercial space at the Hawaii Public Housing Authority's North School Street location.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and Hawaii Primary Care Association. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that development of the Hawaii Public Housing Authority's North School Street location will help meet the need for additional public housing and administrative services. The development would increase public housing inventory by producing approximately 300 housing units and include a new administrative building and a small commercial space.

Your Committee has amended this measure by:

- (1) Specifying that the Hawaii Public Housing Authority is the expending agency for the general obligation bond proceeds in this measure; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 973, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 973, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 27 Judiciary and Labor on S.B. No. 1209

The purpose and intent of this measure is to harmonize age and service requirements for judges who are members of the Employees' Retirement System with requirements for other contributory plan members.

Your Committee received testimony in support of this measure from the Employees' Retirement System and the Judiciary.

Your Committee finds that this measure will bring consistency of age and service requirements between judges who are members of the Employees' Retirement System and other contributory plan members.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1209 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 28 Judiciary and Labor on S.B. No. 696

The purpose and intent of this measure is to create an income tax credit for employers who allow their employees to telecommute.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that providing a tax credit would encourage employers to allow employees to work via telecommuting.

Your Committee has amended this measure by:

- (1) Removing section 1;
- (2) Amending section 2 by:
 - (A) Deleting the proposed paragraphs 235- (a)(1) and (a)(3), Hawaii Revised Statutes;
 - (B) Deleting references to “attainment areas” and “non-attainment areas”;
 - (C) Deleting language that would have capped the aggregate amounts of tax credits to be approved and references thereto; and
 - (D) Leaving a blank percentage for the tax credit to encourage consideration by the Committee on Ways and Means should they schedule this measure for further hearing;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 696, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 696, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 29 (Majority) Judiciary and Labor on S.B. No. 1011

The purpose and intent of this measure is to repeal the prohibition on arbitration to resolve disputes regarding contributions to the Hawaii employer-union health benefits trust fund.

Your Committee received testimony in support of this measure from the Hawaii Fire Fighters Association, Hawaii Government Employees Association, and Hawaii State Teachers Association. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance. Your Committee received comments on this measure from the Office of Collective Bargaining.

Your Committee finds that this measure would enable impasses or disputes relating to contributions to the Hawaii employer-union health benefits trust fund to be decided, along with other collective bargaining items, through binding arbitration.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1011, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1011, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Thielen). Noes, 1 (Slom). Excused, 2 (Espero, Ihara).

SCRep. 30 Transportation on S.B. No. 225

The purpose and intent of this measure is to amend the offense of habitually operating a vehicle under the influence of an intoxicant to include operating a vehicle under the influence of an intoxicant after at least one conviction within the previous ten years for habitually operating a motor vehicle under the influence of an intoxicant.

Your Committee received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; Maui Police Department; Department of the Prosecuting Attorney, County of Maui; County of Kaua'i, Office of the Prosecuting Attorney; Office of the Prosecuting Attorney, County of Hawai'i; and Hawaii Chapter of Mothers Against Drunk Driving.

Your Committee finds that this measure clarifies and strengthens existing law which is intended to address repeat offenders. According to testimony, a study by the National Highway Traffic Safety Administration found that a person with prior convictions for driving under the influence is 4.1 times more likely to be involved in a fatal motor vehicle collision. Another study has shown that the chances of being involved in a fatal motor vehicle collision increase with every additional driving under the influence arrest.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 225, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 225, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Kidani).

SCRep. 31 Transportation on S.B. No. 321

The purpose and intent of this measure is to:

- (1) Increase the penalty for the offense of operating a vehicle under the influence of an intoxicant to a class C felony if the defendant operated a vehicle with a passenger who was fifteen years of age or younger; and
- (2) Establish a minimum breath and blood alcohol levels for defendants who are between eighteen and twenty-one years of age and convicted of operating a vehicle under the influence of an intoxicant with a passenger who was fifteen years of age or younger.

Your Committee received testimony in support of this measure from the Department of Transportation; County of Kaua'i, Office of the Prosecuting Attorney; Office of the Prosecuting Attorney, County of Hawai'i; and Hawaii Chapter of Mothers Against Drunk Driving. Your Committee received testimony in opposition to this measure from the Honolulu Police Department.

Your Committee finds that driving under the influence of alcohol with young passengers in the vehicle is a serious offense. Traffic fatalities involving impaired drivers who have young individuals as passengers always results in serious consequences to the individuals and their families. This measure will make drivers more aware of the severe consequences and serve as a deterrent to opting to drive under the influence of alcohol.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 321 and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Kidani).

SCRep. 32 Transportation on S.B. No. 611

The purpose and intent of this measure is to:

- (1) Allow an ignition interlock permit holder to take necessary tests to apply for relicensing during the final thirty days of the revocation period;
- (2) Prohibit the operation of a vehicle with an ignition interlock permit without a state identification card; and
- (3) Prohibit the operation of a vehicle once a notice of administrative record has expired unless the driver has a valid driver's license.

Your Committee received testimony in support of this measure from Department of Transportation; Honolulu Police Department; County of Kaua'i, Office of the Prosecuting Attorney; and Hawaii Chapter of Mothers Against Drunk Driving.

Your Committee finds that currently, a driver whose license is revoked for operating a vehicle under the influence of an intoxicant cannot begin the relicensing process until the end of the revocation period. In order to be relicensed, drivers must take the written examination, obtain an instructional permit, and schedule a road test, all of which may take several months. As such, a person may have to wait a significant amount of time before being fully licensed.

In the interim, drivers with an ignition interlock device who may drive unsupervised during their revocation period must then have a licensed driver with them while they wait for full licensure. Allowing drivers with a valid ignition interlock permit the opportunity to complete their written and road tests prior to the end of their revocation period would create an additional incentive to install an ignition interlock device, leading to safer roadways. In addition, allowing responsible drivers to be fully relicensed immediately following their revocation period provides them with the opportunity to continue driving legally.

Your Committee further finds that currently, drivers who have a valid ignition interlock permit are not required to show any form of photo identification when stopped by law enforcement. Requiring drivers to have a valid State of Hawaii identification card gives law enforcement officers the ability to positively identify drivers with ignition interlock permits and verify the driver's license and permit status.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 611 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Kidani).

SCRep. 33 Transportation on S.B. No. 613

The purpose and intent of this measure is to enhance the penalties for a conviction of operating a vehicle after license and privilege have been suspended or revoked for operating a vehicle under the influence of an intoxicant.

Your Committee received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; County of Kaua'i, Office of the Prosecuting Attorney; Hawaii Chapter of Mothers Against Drunk Driving; and one individual.

Your Committee finds that many drivers continue to drive after conviction of operating a vehicle after license and privilege have been suspended or revoked for operating a vehicle under the influence of an intoxicant. The National Highway Traffic Safety Administration estimates that more than half of drivers whose licenses have been revoked for operating a vehicle under the influence of an intoxicant continue to drive illegally. This represents a substantial and unjustifiable risk to everyone on our roadways.

Increasing the penalties will create a stronger deterrent to discourage these violators from driving after their license has been suspended or revoked.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 613 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Kidani).

SCRep. 34 Judiciary and Labor on S.B. No. 142

The purpose and intent of this measure is to:

- (1) Require the Department of Accounting and General Services to develop a Wailuku state office master plan to address the shortage of space in the Wailuku state office building and the old courthouse building;
- (2) Require the Department of Accounting and General Services to submit the Wailuku state office master plan to the Legislature prior to the Regular Session of 2016; and
- (3) Appropriate a specified sum to the Department of Accounting and General Services for the Wailuku state office master plan.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services and three individuals. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure will assist in addressing the shortage of space in Wailuku and funding efforts to revamp the Wailuku state office building and old courthouse building to reduce the shortage of space.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 142 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Shimabukuro).

SCRep. 35 Judiciary and Labor on S.B. No. 1027

The purpose and intent of this measure is to appropriate an unspecified sum of money to the Judiciary for one judge and three support staff positions for the Family Court of the First Judicial Circuit.

Your Committee received testimony in support of this measure from the Judiciary, Family Law Section of the Hawaii State Bar Association, and four individuals.

Your Committee finds that the Legislature created a judicial position and three support staff positions six years ago for the Family Court of the First Judicial Circuit. This measure will assist the Family Court in providing critical judicial services to the community by appropriating funds to fill these positions.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1027, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 36 (Majority) Energy and Environment on S.B. No. 715

The purpose and intent of this measure is to:

- (1) Increase the renewable portfolio standards for electric utilities to seventy percent by 2035 and one hundred percent by 2040; and
- (2) Establish renewable energy standards for new large self-generators.

Your Committee received testimony in support of this measure from Hawaii Renewable Energy Alliance; Blue Planet Foundation; Hawaii Solar Energy Association; SunEdison; Mehta Tech, Inc.; and eighty-five individuals. Your Committee received testimony in opposition to this measure from Starwood Hawaii and one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Public Utilities Commission; Hawaiian Electric; and Life of the Land.

Your Committee finds that Hawaii's dependency on imported fuel hinders the State's economy. A stronger local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. Updating and extending Hawaii's clean energy initiative and renewable standards will benefit Hawaii's economy by ensuring that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry.

Your Committee has amended this measure by:

- (1) Amending the definition of "large self-generator" to only include persons or entities that begin ownership or operation after July 1, 2015; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 715, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 715, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Galuteria, Green).

SCRep. 37 Agriculture on S.B. No. 598

The purpose and intent of this measure is to establish and appropriate monies to fund a full-time temporary program manager position in the Department of Agriculture for the pesticide subsidy program.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Maui Chamber of Commerce.

Your Committee finds that Act 105, Session Laws of Hawaii 2014, established a pesticide subsidy program within the Department of Agriculture effective from July 1, 2014, through June 30, 2019, with the purpose of providing subsidies to coffee farmers for the purchase of pesticides containing the fungus *Beauveria bassiana* to control infestation of the coffee berry borer. Although Act 105 appropriated funds to be used to hire one temporary program specialist for the pesticide subsidy program, the Act did not create a program manager position; this measure seeks to establish and appropriate funds to enable the Department of Agriculture to hire a program manager.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 598 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SCRep. 38 Agriculture on S.B. No. 1149

The purpose and intent of this measure is to appropriate funds as a grant for the operation, repair, maintenance, and improvement of the East Kauai Water Users' Cooperative irrigation systems.

Your Committee received testimony in support of this measure from the Department of Agriculture and Hawaii Farm Bureau.

Your Committee finds that reliable irrigation systems are the lifelines of Hawaii's agricultural community. To ensure that Hawaii's agricultural crops receive a steady and dependable supply of water, irrigation systems need to be repaired, properly maintained, and improved to meet agricultural water requirements and to address extended water droughts.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1149 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SCRep. 39 Commerce and Consumer Protection on S.B. No. 1093

The purpose and intent of this measure is to clarify mortgage servicer requirements, including loss mitigation options, licensing requirements, duties to borrowers, bonding requirements, and prohibited activities.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Mortgage Bankers Association of Hawaii, Hawaii Bankers Association, Hawaii Credit Union League, and one individual.

Your Committee finds that mortgage servicers administer mortgage loans after the loans have closed, including collecting and recording payments from borrowers and handling delinquent borrowers. In 2012, the National Mortgage Settlement agreement was reached by the federal government and forty-nine state attorneys general with the country's five largest mortgage servicers to address mortgage servicing, foreclosure, and bankruptcy abuses. Since that time, many mortgage servicer companies have addressed concerns previously found by state examiners during examinations. Although there are no national requirements in place for mortgage servicers, the Conference of State Bank Supervisors has formed a work group to suggest prudential standards for mortgage servicers. The federal Consumer Financial Protection Bureau has also issued rules relating to mortgage servicing standards that pertain to bank and nonbank mortgage servicers.

Your Committee further finds that over the past few years, there has been a dramatic rise of nonbank servicers in the mortgage service industry. However, your Committee finds that nonbank servicers are subject to far less stringent regulatory and financial requirements than banks. Consequently, the rise of nonbank servicers has been accompanied by an increasing number of consumer complaints, lawsuits, and other regulatory actions. For example, in the twenty-five month period ending January 31, 2015, Hawaii consumers lodged 516 mortgage complaints on the Consumer Financial Protection Bureau database. Most of these complaints were concerned with mortgage servicing issues.

Your Committee additionally finds that this measure provides specific standards for mortgage servicers, which the Division of Financial Institutions of the Department of Commerce and Consumer Affairs needs to enhance its examinations, better regulate the industry, and protect Hawaii consumers. This measure requires nonbank mortgage servicers to meet the same mortgage servicing standards as regulated bank mortgage servicers, thus enabling borrowers to have equivalent protections in place for their mortgages, regardless of whether the mortgage servicer is a bank or nonbank.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1093, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1093, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 40 Agriculture on S.B. No. 530

The purpose and intent of this measure is to make an appropriation for phase II of the renovations to the Kamuela Vacuum Cooling Plant.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Kamuela Vacuum Cooling Plant is located in the Waimea area of the island of Hawaii, a major producer of Hawaii-grown leafy green vegetables and peppers, and is in need of improvements. Your Committee further finds that the plant is decades old, and the cooling equipment requires replacement to enable the continued production and consolidation of agricultural commodities from the Waimea region.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 530 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SCRep. 41 Energy and Environment on S.B. No. 705

The purpose and intent of this measure is to establish a general excise tax exemption on gross proceeds arising from the construction, sale, installation, service, repair, modification, improvement, or lease of clean alternative fuel vehicles, electric vehicle batteries, and electric vehicle infrastructure.

Your Committee received testimony in support of this measure from the Renewable Energy Action Coalition of Hawaii, Blue Planet Foundation, and EV Structure. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that transportation fuels, most of which are imported, account for approximately two-thirds of all the energy consumed in Hawaii. A general excise tax exemption on gross proceeds arising from the construction, sale, installation, service, repair, modification, improvement, or lease of clean alternative fuel vehicles, electric vehicle batteries, and electric vehicle infrastructure will provide a financial incentive to use clean alternative fuel vehicles and further the State's clean energy initiative goals.

Your Committee has amended this measure by:

- (1) Amending the definition of "electric vehicle infrastructure" to mean battery charging stations, rapid charging stations, and battery exchange stations; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 705, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 42 Commerce and Consumer Protection on S.B. No. 758

The purpose and intent of this measure is to specify that the method of service of process for all civil cases under chapter 634, Hawaii Revised Statutes, when personal service is unsuccessful, includes publication in a newspaper of general circulation three times or publication on a state website together with publication in a newspaper of general circulation at least once.

Your Committee received testimony in support of this measure from the Collection Law Section of the Hawaii State Bar Association and Hawaii Bankers Association. Your Committee received testimony in opposition to this measure from the Honolulu Star-Advertiser. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection.

Your Committee finds that under existing law, service of process, when personal service is unsuccessful, requires service by publication in a newspaper of general circulation. According to testimony received by your Committee, the cost for publication of summons in a newspaper in connection with a collection action typically exceeds \$2,000 - a cost that is passed on to the debtor-consumer. In comparison, electronic publication of foreclosure notices of public sale costs \$300 per notice on the Department of Commerce and Consumer Affairs' website. Your Committee further finds that this measure would permit electronic publication in all civil actions, consistent with existing provisions related to publication of foreclosure notices.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 758, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 758, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 43 Energy and Environment on S.B. No. 698

The purpose and intent of this measure is to prohibit the Public Utilities Commission from approving power purchase agreements that prohibit the sale of energy to third parties or require utility consent to sell energy to third parties.

Your Committee received testimony in support of this measure from the Hawaii Solar Energy Association and Blue Planet Foundation. Your Committee received testimony in opposition to this measure from Hawaiian Electric Company. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy.

Your Committee finds that power purchase agreements, entered into by electric utilities and approved by the Public Utilities Commission, frequently prohibit power producers from selling energy to third parties, even if that energy is being curtailed or not used on the grid by the utility. These power purchase agreements promote the waste of energy to the detriment of the people of Hawaii. This measure enables energy producers to make use of energy that would otherwise be wasted.

Your Committee has amended this measure by:

- (1) Adding language to clarify that the Public Utilities Commission is prohibited from approving purchase agreements that prohibit the sale of renewable energy to third parties or require utility consent to sell renewable energy to third parties to the extent that the renewable energy will be converted from electrical energy to another form of energy or will be stored for later distribution to an electric utility; and
- (2) Amending section 1 to reflect the amended purpose of this measure.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 698, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 698, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 44 Energy and Environment on S.B. No. 890

The purpose and intent of this measure is to appropriate funds to the Pacific-Asia Institute for Resilience and Sustainability.

Your Committee received testimony in support of this measure from Enterprise Honolulu and two individuals.

Your Committee finds that the Pacific-Asia Institute for Resilience and Sustainability, in collaboration with various agencies and organizations, is making efforts to improve energy efficiency, reliability, security, and grid operations in Hawaii. This includes a study of the potential enhancement of the security, reliability, and dependability of the electric grid on Oahu and ways to apply analytics to better predict potential risks and issues, including natural disasters. While this initial study is focused on Oahu, it is evident from recent power outages that the electric grid on the island of Hawaii and other neighbor islands should also be studied. This measure will fund the Pacific-Asia Institute for Resilience and Sustainability's research efforts in exploring methods to improve energy efficiency and support the development of a statewide smart grid.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 890 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 45 Public Safety, Intergovernmental and Military Affairs on S.B. No. 184

The purpose and intent of this measure is to:

- (1) Appropriate funds to the State Department of Defense for the Adjutant General to assemble twenty-five civilian community teams; and
- (2) Hire a coordinator to help establish and provide administrative oversight of and train the civilian community teams.

Your Committee received testimony in support of this measure from the State Department of Defense Emergency Management Agency and one individual.

Your Committee finds that trained community citizens are imperative to any civil defense plan. Community civilians are a great asset in assisting in disaster response, as they live in their communities and can quickly provide needed response and recovery support. With proper training and knowledge, community civilians can provide first response support to local, state, and federal civil defense staff and help prepare their communities for emergency situations.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 184 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 46 (Majority) Public Safety, Intergovernmental and Military Affairs on S.B. No. 566

The purpose and intent of this measure is to:

- (1) Establish twelve-month pilot visitation programs at the Oahu Community Correctional Center and the Halawa Correctional Facility to promote inmate visitation at the facilities; and
- (2) Appropriate funds to the Department of Public Safety for the creation of the pilot programs.

Your Committee received testimony in support of this measure from Community Alliance on Prisons and three individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety.

Your Committee finds that there has been a pattern of visitation within the Hawaii correctional system that has been problematic. Weekend family visits are often canceled due to an insufficient number of Department of Public Safety personnel necessary to oversee and monitor visitation. These last minute cancellations are detrimental to the psyche and well-being of inmates, as strong family and community relationships increase the likelihood of inmate success after release. The establishment of twelve-month pilot visitation programs at the Oahu Community Correctional Center and the Halawa Correctional Facility will address the ongoing problem of canceled visitations and ensure continued family and community contact.

Your Committee has amended this measure by:

- (1) Inserting language permitting, rather than requiring, the hiring of part-time staff for weekend family visits;
- (2) Inserting language permitting, rather than requiring, the Director of Public Safety to provide for weekday visits at certain times and the hiring of part-time staff for weekday family visits at the Oahu Community Correctional Center and the Halawa Correctional Facility; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 566, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 566, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 47 Public Safety, Intergovernmental and Military Affairs on S.B. No. 572

The purpose and intent of this measure is to:

- (1) Require independent civil process servers to meet additional requirements in order to be placed on the Director of Public Safety's list of qualified civil process servers; and
- (2) Make permanent Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process.

Your Committee received testimony in support of this measure from the Department of Public Safety and one individual. Your Committee received comments on this measure from AAA Legal Process.

Your Committee finds that an independent civil process server may submit the server's name to the Director of Public Safety to be placed on the Director of Public Safety's list of qualified civil process servers. Additional independent civil process server requirements improve the quality of civil process servers without placing an undue burden on individuals who seek to be included on the Director of Public Safety's list of qualified civil process servers.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 572 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 48 Public Safety, Intergovernmental and Military Affairs on S.B. No. 955

The purpose and intent of this measure is to provide liability protection to individuals who operate or use a sport shooting range by:

- (1) Prohibiting a person who uses or operates a sport shooting range from being subject to civil liability or criminal prosecution in a matter relating to nuisance or noise pollution that is the result of using or operating a sport shooting range in compliance with applicable laws or ordinances established after the date of initial construction or operation of the range;
- (2) Prohibiting a person who uses or operates a sport shooting range from being subject to noise decibel-limiting rules adopted by a state department or agency after the date of initial construction or operation of the range;

- (3) Exempting a sport shooting range that is operated pursuant to existing law from compliance with a new ordinance or amended ordinance; and
- (4) Establishing that a person who participates in sport shooting accepts obvious and inherent risks associated with the participation in the sport.

Your Committee received testimony in support of this measure from the Institute for Rational and Evidence-based Legislation, Hawaii Rifle Association, Hawaii Hunting Association, North Pacific Firearms, The Society for Hawaii Heritage Animals, and thirty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice. Your Committee received comments on this measure from one individual.

Your Committee finds that sport shooting ranges are a valuable resource for target shooting and firearm safety training. Sport shooting ranges are important public recreation resources and provide law enforcement agencies and personnel with the opportunity to maintain necessary firearms skills training at a minimal cost. However, burdensome retroactive regulation and lawsuits threaten this vital resource that benefits law enforcement, hunters, and the public. This measure will ensure that sport shooting ranges are available and afford users and operators of sport shooting ranges with necessary liability protections.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 955, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 49 Public Safety, Intergovernmental and Military Affairs on S.B. No. 665

The purpose and intent of this measure is to:

- (1) Create an independent Prison Oversight Committee to monitor and report on the conditions of state correctional facilities;
- (2) Expand visitation access to correctional facilities to include Prison Oversight Committee members; and
- (3) Authorize Prison Oversight Committee members to privately interview an inmate confined in any state correctional facility.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons and two individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety.

Your Committee finds that there is growing concern regarding the operation of the State's correctional facilities. Over the past several years, there has been an increase in the State's incarcerated population despite a decrease in crime. Despite the massive expenditure of taxes and the Department of Public Safety's mandate to operate humane and safe correctional facilities, there is little oversight of these facilities. Implementation of this measure will provide better assurance that the State's correctional facilities comply with federal and state laws and achieve transparency and accountability in the operation of safe and humane correctional facilities by establishing an independent Prison Oversight Committee and expanding correctional facility visitation access and authority to interview inmates to Prison Oversight Committee members.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 665, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 665, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 50 Public Safety, Intergovernmental and Military Affairs on S.B. No. 664

The purpose and intent of this measure is to establish a minimum educational requirement for adult corrections officers that are hired for the first time in the State.

Your Committee received testimony in support of this measure from the Department of Public Safety and two individuals.

Your Committee finds that adult corrections officers are responsible for maintaining security and preventing violence in the State's jails and prisons. The work of an adult corrections officer can be demanding, and it is imperative that adult corrections officers possess critical thinking and interpersonal skills. The requirement that newly hired adult corrections officers have a high school diploma, at minimum, will provide better assurances that adult corrections officers have the skills needed to maintain security and communicate efficiently.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 664 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 51 Public Safety, Intergovernmental and Military Affairs on S.B. No. 562

The purpose and intent of this measure is to appropriate funds for the establishment and implementation of a residential re-entry facility and day reporting program for criminal offenders, including offenders in the work furlough program.

Your Committee received testimony in support of this measure from the Hawaii Substance Abuse Coalition and two individuals. Your Committee received comments on this measure from the Department of Public Safety and Community Alliance on Prisons.

Your Committee finds that the State has an extensive problem with recidivism and prison capacity. Re-entry programs house offenders in transitional environments while they learn to reengage with the community and learn how to confront the many obstacles in their path to successful reintegration. To alleviate the State's problems with recidivism and to meet the needs of adult offenders, this measure appropriates funds for the Department of Public Safety to establish and implement a residential re-entry facility and day reporting program for criminal offenders, including offenders in the work furlough program.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 562 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 52 Public Safety, Intergovernmental and Military Affairs on S.B. No. 7

The purpose and intent of this measure is to:

- (1) Establish intentionally causing bodily injury to a process server in the performance of duty, with the intent to obstruct the process server's performance of duty or retaliate against the process server for performing service, as assault in the second degree;
- (2) Exempt process servers who enter or remain in or upon the premises of another for the purpose of making a good faith attempt to serve process upon certain individuals from the offense of criminal trespass in the first degree; and
- (3) Exempt process servers who enter or remain in or upon the land or premises of another for the purpose of making a good faith attempt to serve process upon certain individuals from the offense of criminal trespass in the second degree.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that similar to other public safety individuals, process servers often work in environments where there is a risk of assault. As process servers frequently work alone, your Committee finds it necessary to include process servers who are performing their job duties in the class of persons protected from the offense of assault in the second degree. Your Committee further finds that given the need for process servers to enter or remain in or upon the premises of another in order to perform their job duties, process servers should be exempt from the offenses of criminal trespass in the first and second degrees while in the performance of their duties.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 7, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 7, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 53 Commerce and Consumer Protection on S.B. No. 1096

The purpose and intent of this measure is to exempt electric utilities serving as billing and collections agents for an on-bill program from certain state taxes and state laws regulating financial institutions, escrow depositories, or collection agencies.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Public Utilities Commission; and Hawaiian Electric Company, Inc. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that an on-bill program administered by an electric utility allows customers of the utility to purchase a renewable energy system, while the electric utility serves as a billing and collection agent for the on-bill program in a pass-through capacity for any and all monies collected and remitted while participating in the on-bill program. Electric utilities who serve as billing and collection agents and function in a pass-through capacity are therefore not raising revenue from monies collected and remitted while participating in an on-bill program.

Your Committee further finds that levying of revenue-related taxes or requiring other financial regulations on an electric utility participating in a pass-through capacity in an on-bill program would create additional costs for the utility, which could be passed on to ratepayers. This measure would eliminate these additional costs but would not have an impact on other fees or taxes imposed on other amounts received in the normal course of operations by an electric utility.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2020, to encourage further discussion; and

(2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1096, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1096, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 54 Tourism and International Affairs on S.B. No. 283

The purpose and intent of this measure is to clarify the qualification and term limit requirements for the Board of Directors of the Hawaii Tourism Authority.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that this measure clarifies ambiguities in section 201B-2, Hawaii Revised Statutes, with regard to the qualification and term limit requirements for the Board of Directors of the Hawaii Tourism Authority. Your Committee further finds that the term “accommodations”, as used in the tourism industry, embraces the management, promotion, and marketing of facilities and that the use of this term in the statute is more appropriate.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 283 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 55 Tourism and International Affairs on S.B. No. 536

The purpose and intent of this measure is to provide an income tax credit for hotel construction and renovation for taxable years beginning after December 31, 2014, and ending on December 31, 2019.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority, Hawaii Lodging and Tourism Association, Wyndham Vacation Ownership, and Outrigger Hotels Hawaii. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaii’s travel and tourism industry must continue to refresh its product offering to support and attract new and repeat travelers, compete with other global destinations, and distinguish Hawaii as a unique travel and tourist destination; Hawaii cannot continue to rely on aging hotel and resort infrastructure and hope for the best. Traditional financing has failed to generate new construction and renovation work, and jobs are lacking. Therefore, your Committee finds that a hotel construction and renovation tax credit will provide an economic stimulus to benefit Hawaii’s tourism industry.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 536, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 536, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 56 Tourism and International Affairs on S.B. No. 1009

The purpose and intent of this measure is to ensure that hotels either distribute portorage service charges to employees in full or notify customers that service charges are being used for other purposes.

Your Committee received testimony in support of this measure from UNITE HERE Local 5 and the International Longshore and Warehouse Union Local 142.

Your Committee finds that consumers should know whether or not, and to what extent, the money they pay hotels in portorage service charges is being paid to employees. When a hotel charges service charges to customers, customers may believe that those charges are being paid to employees as tip income; however, this is not necessarily the case, and this information could influence whether or not a consumer chooses to use portorage services. Therefore, your Committee finds that it should be transparent to consumers how hotels distribute portorage service charges.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1009, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1009, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 57 Tourism and International Affairs on S.B. No. 754

The purpose and intent of this measure is to:

- (1) Provide cancellation rights to persons who contract to buy a short-term product in Hawaii; and
- (2) Allow disbursement of purchasers' funds to a developer; provided that the developer first posts a bond, letter of credit, or other financial assurance.

Your Committee received testimony in support of this measure from the American Resort Development Association, the American Resort Development Association Hawaii, Wyndham Vacation Ownership, Marriott Vacations Worldwide Corporation, and Starwood Vacation Ownership. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division and the Department of Commerce and Consumer Affairs Regulated Industries Complaints Office.

Your Committee finds that many time share developers offer short-term products that allow prospective time share buyers to explore the time share experience on a trial basis. Some other states have adopted laws providing a seven-day right of cancellation to short-term product buyers. Your Committee finds that under current law, a developer who constructs a time share project must hold a time share buyer's funds in escrow after the seven-day cancellation period has passed, the project is completed, and closing has occurred, and the developer may remove the funds from escrow in only one limited circumstance. This places significant amounts of money, potentially tens of millions of dollars, in escrow for months at a time. Your Committee finds that protection of a time share buyer's funds with third party assurance gives the consumer ample protection if a project is not completed, while granting the developer access to funds to cover construction costs.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee has heard the concerns of the Department of Commerce and Consumer Affairs regarding levels of consumer protection and believes that these concerns merit further discussion by your Committee on Commerce and Consumer Protection if it chooses to hear this measure.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 754, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 754, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 58 Energy and Environment on S.B. No. 1150

The purpose and intent of this measure is to make permanent the fuel license tax on naphtha fuels sold for use in a power generating facility.

Your Committee received testimony in support of this measure from the Kauai Island Utility Cooperative and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Act 103, Session Laws of Hawaii 2007, as amended by Act 198, Session Laws of Hawaii 2009, as amended by Act 188, Session Laws of Hawaii 2012, imposes a special fuel license tax rate of 2 cents per gallon for naphtha fuels used in a power generating facility and this fuel license tax rate will sunset on December 31, 2015. If the special fuel license tax rate sunsets, the rate of the fuel tax on naphtha fuels will revert to the default tax rate for liquid fuel of 17 cents per gallon. This measure will make permanent the tax rate on naphtha fuels sold for use in a power generating facility and eliminate the financial burden that would occur if the naphtha fuel license tax rate sunsets.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1150 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 59 (Majority) Energy and Environment on S.B. No. 646

The purpose and intent of this measure is to:

- (1) Permit the installation of clotheslines in any residential dwelling, apartment, condominium, or townhouse, under certain conditions; and
- (2) Define a reasonable restriction on the placement and use of clotheslines as any restriction that is necessary to protect public health and safety, buildings from damage, historic or aesthetic values, or shorelines under certain circumstances.

Your Committee received testimony in support of this measure from the Blue Planet Foundation.

Your Committee finds that because of Hawaii's climate, Hawaii homeowners often have the choice to save money and save energy by using a clothesline to dry their clothes. Electric clothes dryers can cost a consumer upward of ten percent of their household's energy demand. However, many homeowner, condominium, and planned community associations have restrictions on the use of clotheslines that do not allow many homeowners the option of saving money and energy by drying their clothes on a clothesline. Allowing the installation of clotheslines will provide homeowners with the choice to save money and energy and decrease the amount of fossil fuel electricity that Hawaii's households require.

Your Committee has amended this measure by deleting a private entity's authority to implement a height restriction on the placement and use of clotheslines on a balcony or lanai of a multi-story apartment or condominium structure.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 646, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 646, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Galuteria, Green).

SCRep. 60 Energy and Environment on S.B. No. 488

The purpose and intent of this measure is to require the installation of meters to measure electricity utility use by individual units in condominiums.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy.

Your Committee finds that the cost of the total electric consumption for most master-metered buildings is divided among units, not taking into account a resident's individual consumption. This often leads to master-metered building residents consuming more electricity than residents with individual apartment metering because master-metered building residents do not bear electricity costs in proportion to individual consumption levels. Installing meters to measure electricity use by individual units in condominiums will require each resident to be financially responsible for the resident's own energy consumption and thereby improve energy conservation.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 488, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 488, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 61 (Joint) Health and Human Services and Housing on S.B. No. 806

The purpose and intent of this measure is to:

- (1) Continue the hospital sustainability program by extending its sunset date to June 30, 2016, updating the referral dates in the statute, and revising the funding amount for the hospital sustainability program for fiscal year 2015-2016; and
- (2) Appropriate funds out of the hospital sustainability program special fund for the purposes of the fund.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation, Chamber of Commerce Hawaii, Hawaii Primary Care Association, Healthcare Association of Hawaii, The Queen's Health Systems, and Hilo Medical Center Foundation. Your Committees received comments on this measure from the Department of the Attorney General and Department of Human Services.

Your Committees find that the Legislature created the hospital sustainability program by enacting Act 217, Session Laws of Hawaii 2012, to increase Medicaid payments to hospitals in recognition that Medicaid payments to hospitals were below the actual costs of care. Because of the hospital sustainability program, Medicaid payments to many facilities in the State are closer to the actual costs of care, which helps to ensure that Medicaid patients have access to the hospital care that they need.

Your Committees have amended this measure by:

- (1) Inserting language to ensure that the hospital sustainability program special fund retains its exemptions from the central service expenses and administrative expenses assessments through December 31, 2016; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 806, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 806, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 62 (Joint) Health and Human Services and Housing on S.B. No. 925

The purpose and intent of this measure is to establish and appropriate funds for one permanent full-time equivalent fetal alcohol spectrum disorder coordinator position in the Family Services Division of the Department of Health.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; March of Dimes, Hawaii Chapter; FASD Communities; Hawaii Public Health Association; and twenty-two individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that fetal alcohol spectrum disorder is the most underdiagnosed and preventable developmental disability in Hawaii and across the United States. The effects of prenatal alcohol exposure are lifelong, yet fetal alcohol spectrum disorder is completely preventable. The effects of fetal alcohol exposure can be ameliorated through early intervention and effective systems of care and service. The devastating effects of prenatal alcohol exposure are manifested in youth, and without the effective care and services of a qualified practitioner, continue for the duration of the individual's lifetime.

Your Committees further find that there is an urgent need to establish a fetal alcohol spectrum disorder coordinator position in the interest of serving current and future populations affected by this disorder.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 925 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 63 Commerce and Consumer Protection on S.B. No. 134

The purpose and intent of this measure is to adopt the Uniform Partition of Heirs Property Act, which establishes procedures and remedies for use in actions for partition of real property involving heirs property.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that in 2010, the Uniform Law Commission promulgated the Uniform Partition of Heirs Property Act to provide a fair solution to the risks posed to those who own heirs property, which is real property held in tenancy in common that meets certain requirements. This measure adopts the Uniform Partition of Heirs Property Act and establishes a hierarchy of remedies designed to protect a family's property holdings and real property wealth for partition actions involving heirs property.

Your Committee has amended this measure by:

- (1) Clarifying that the movant for determination that property is heirs property shall send notice to the parties, rather than the court, for purposes of cotenant buyouts;
- (2) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 134, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 134, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 64 Health on S.B. No. 528

The purpose and intent of this measure is to require the State Auditor to conduct a management audit of the Hawaii Health Systems Corporation.

Your Committee received testimony in support of this measure from the United Public Workers, Local 646; and Hawaii Government Employees Association.

Your Committee finds that an audit of the Hawaii Health Systems Corporation is practical and necessary in an effort to save money, bring greater accountability, and standardize practices. As Hawaii struggles with difficult budget decisions about funding public services, this audit will provide the Legislature with important information to achieve greater accountability, transparency, and efficiency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 528 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Baker). Noes, none. Excused, none.

SCRep. 65 (Majority) Health on S.B. No. 926

The purpose and intent of this measure is to establish three positions within the Office of Language Access to assist state agencies and state-funded agencies in implementing Hawaii's language access law.

Your Committee received testimony in support of this measure from the Office of Language Access, Inter-Agency Council for Immigrant and Refugee Services, and one individual.

Your Committee finds that the Office of Language Access was established to provide oversight, central coordination, and technical assistance to twenty-six state agencies and approximately one hundred fifty state-funded agencies in implementing Hawaii's language access law. The Office of Language Access provides technical assistance to agencies in the form of needs assessments, assistance with language access plans, training of agency staff, work with interpreters and translators, and data collection and reporting.

Your Committee further finds that the Office's staff was cut to a single position in 2009 due to the State's reduction in force. Although two of the six positions were restored in 2013, critical staff positions remain unfilled.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 926 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 66 Health on S.B. No. 805

The purpose and intent of this measure is to remove the sunset provision from Act 255, Session Laws of Hawaii 2012, relating to the definitions of "the practice of nursing as a licensed practical nurse" and "the practice of nursing as a registered nurse".

Your Committee received testimony in support of this measure from the Hawaii Academy of Physician Assistants. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that Act 255, Session Laws of Hawaii 2012, amended the definitions of "the practice of nursing as a licensed practical nurse" and "the practice of nursing as a registered nurse" to include carrying out the orders of a licensed physician assistant practicing with physician supervision as required by chapter 453, Hawaii Revised Statutes, and acting as an agent of the supervising physician. The Act included a sunset provision to repeal the amended versions of the definitions on July 1, 2017.

Your Committee further finds that there has been ample time to evaluate the law and its effect on public health, and there has been no harm. The change made by Act 255, Session Laws of Hawaii 2012, has provided clarity and improved communication for all health care providers and patients impacted by the change.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 805 and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 67 Health on S.B. No. 792

The purpose and intent of this measure is to appropriate funds to the Department of Health in support of the state dental health initiative.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities; The Queen's Health Systems; Capitol Consultants of Hawaii, LLP; Center for Oral Health; Hawaii Dental Hygienists' Association; and four individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that Hawaii is in a position to develop a groundbreaking process to address the unmet dental health care needs of its most vulnerable citizens. Significant adverse health and socio-economic conditions exist as a result of untreated oral diseases among the State's most vulnerable populations, especially underserved children, pregnant women, seniors, adults with chronic conditions, people with special care needs, and ethnic minorities, including native Hawaiians, Pacific islanders, and Filipinos. Furthermore, poor understanding of the dental health status prevents the development of effective and cost-efficient strategies and public policies to address the dental health care needs of the most vulnerable residents of the State.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 792 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 68 Health on S.B. No. 298

The purpose and intent of this measure is to make an appropriation for one advanced life support ambulance to be based in Makalei on the island of Hawaii, to be used from 8:00 a.m. to 10:00 p.m., and to include a vehicle, equipment, and personnel costs.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawaii; Hawai'i Fire Department; Daniel Sayre Memorial Foundation; Hawaii Fire Fighters Association, Local 1463; and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that residents of the island of Hawaii would greatly benefit from the addition of an advanced life support ambulance to augment the Hawaii County Emergency Medical Services System for residents of the Makalei area. The population of this area has significantly increased over the years, which has corresponded with a steady increase in calls for emergency medical services. Access to primary health care in Makalei is challenging for the community. For many residents, primary care services are as

many as thirty miles away. Coupled with economic and transportation challenges, emergency medical services have become the access point for health care to many residents.

Your Committee further finds that a new advanced life support ambulance will help reduce death and disability among residents and visitors on the island of Hawaii. A timely response to a 911 call is critical to increase the likelihood of successful outcomes for injured or sick individuals. Given the island's significant growth and aging population, an advanced life support ambulance is needed and will be cost-effective.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 298 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 69 Energy and Environment on S.B. No. 717

The purpose and intent of this measure is to repeal the requirement that gasoline for motor vehicles sold in the State include ten percent ethanol.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaii Independent Energy, LLC.

Your Committee finds that since 2006, Hawaii has required that gasoline sold in the State include ten percent ethanol. However, despite dozens of biomass, biodiesel, and ethanol facilities that have been proposed for Hawaii, no ethanol plants currently exist in the State. The requirement of blending ethanol into Hawaii's gasoline does not produce any economic benefit for the State, and the import of ethanol creates an economic burden for state residents. The repeal of the ethanol gasoline requirement will ensure that any added costs associated with ethanol blending will not affect gasoline price and supply.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 717, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 717, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 70 Energy and Environment on S.B. No. 349

The purpose and intent of this measure is to:

- (1) Establish a renewable fuels production tax credit allowing qualifying taxpayers to claim a refundable income tax credit equal to 20 cents per seventy-six thousand British thermal units of renewable fuel;
- (2) Repeal the ethanol facility tax credit; and
- (3) Require the Department of Business, Economic Development, and Tourism to certify all tax credits and submit a report regarding the production and sale of renewable fuels to the Governor and Legislature each year.

Your Committee received testimony in support of this measure from the Renewable Energy Action Coalition of Hawaii, Blue Planet Foundation, Hawaii Renewable Energy Alliance, Pacific Biodiesel Technologies, and one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii.

Your Committee finds that the State is vulnerable to soaring energy prices and disruptions of its energy imports, which can hinder, cripple, or even devastate the State's economy and the well-being of its residents. As the most isolated land mass on Earth, the State imports nearly ninety percent of its energy needs and almost one hundred per cent of its transportation needs. It is critical that the State becomes more self-sufficient to ensure greater energy security. The establishment of a renewable fuels production tax credit will advance the State's clean energy initiatives and assist the State in achieving greater energy security.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 349, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 349, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 71 (Majority) Transportation on S.B. No. 683

The purpose and intent of this measure is to create a limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaii State Commission on the Status of Women; Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled (PHOCUSED); Aloha Dream

Team; Nursing Advocates and Mentors Inc.; Hawaii Friends for Civil Rights; National Federation of Filipino American Associations Region 12; Filipino American Citizens League; Hawaii Conference United Church of Christ; Catholic Charities Hawaii; Hawaii Coalition for Immigration Reform; Filipino Coalition for Solidarity; Hawaii Coalition of Immigration Rights; American Civil Liberties Union of Hawaii; American Immigration Lawyers Association, Hawaii Chapter; Hawaii Appleseed Center for Law and Economic Justice; and four individuals. Your Committee received comments on this measure from Hawaii Insurers Council.

Your Committee finds that the federal REAL ID Act of 2005, Pub. L. No. 109-13, requires states to comply with federally mandated eligibility criteria in issuing driver's licenses, including the requirement of proof of lawful presence in the United States. Accordingly, a person who does not submit satisfactory proof of the person's legal presence in the United States, as authorized by federal law, cannot legally operate a motor vehicle. The REAL ID Act, however, specifically allows states to issue driver's licenses that do not comply with the minimum federal use requirements and standards of the REAL ID Act, a critical exception.

Your Committee further finds that since 2010 when the State implemented the restrictive identification requirements for driver's licenses, a significant number of residents are now unable to carry out necessary daily activities unless they operate motor vehicles without a license, and therefore, without insurance.

In recent years, there has been a significant increase in state efforts to expand access to driver's licenses for persons who cannot provide proof of authorized presence in the United States. Several states now grant access to a driver's license regardless of immigration status and only require that the applicant establish evidence of current residency in the respective state.

Your Committee further finds that Hawaii's population consists of a high percentage of immigrants, many of whom cannot obtain a Hawaii driver's license for lack of proof of legal presence in the United States.

The State of Connecticut enacted a measure that became effective on January 15, 2015, after four years of analysis and debate in the Connecticut legislature. Your Committee believes that Connecticut has the experience in drafting a measure to pass federal muster. The Connecticut statute is very similar to the unamended version of this measure.

Your Committee has amended this measure by replacing the contents of this measure with contents that are substantially similar to Connecticut's General Statutes, section 14-36m, which allows the issuance of operators' licenses to applicants unable to establish legal presence in the United States and applicants without Social Security numbers and making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 683, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 683, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, 2 (English, Kidani).

SCRep. 72 (Joint) Human Services and Housing and Health on S.B. No. 981

The purpose and intent of this measure is to support early intervention efforts proven to enhance health and safety outcomes and prevent child maltreatment by maintaining funding for the Hawaii home visiting initiative and ensuring continuation of home visiting services in priority high-risk neighborhoods and areas.

Your Committees received testimony in support of this measure from the Department of Health, Catholic Charities Hawaii, Child and Family Service, Hawaii Association for Infant Mental Health, Hawaii Family Support Institute, INPEACE, March of Dimes Foundation Hawaii Chapter, Parents and Children Together, Keiki O Ka Aina Family Learning Centers, and Family Support Hawaii.

Your Committees find that early intervention services for disadvantaged families with infants and toddlers are critical to preventing child abuse and neglect and improving developmental and educational outcomes. Your Committees further find that home visitation is an evidence-based model demonstrated to improve parent-child attachment, access to preventive medical care, parental functioning, and early identification of developmental delays. Home visitation services provided to families of children under three years of age have proven to reduce child maltreatment, emergency room visits, hospitalizations, and unintended pregnancies, as well as improve child development and reduce the need for more costly interventions.

Your Committees find that the Hawaii home visiting program provides valuable services to families of newborns who are at risk for adverse health, safety, and developmental outcomes. In 2014, the program served six hundred twenty-one families in Hawaii, with over eighty percent of the children receiving developmental and emotional screens, over ninety percent becoming up to date on immunizations, and one hundred percent of the families demonstrating no abuse. Your Committees recognize that the Hawaii home visiting program is supported by federal funds under the Patient Protection Affordable Care Act of 2010 but requires state money to meet the \$3,000,000 state maintenance of effort requirement, to draw down federal funds, and most importantly to continue providing home visitation services in priority high-risk neighborhoods and areas around the State.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 981 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

SCRep. 73 Public Safety, Intergovernmental and Military Affairs on S.B. No. 559

The purpose and intent of this measure is to:

- (1) Expand the Office of Veterans' Services to include military affairs; and
- (2) Appropriate funds to expand the Office of Veterans' Services to include military affairs.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency, Office of Veterans Services, Chamber of Commerce Hawaii, and four individuals.

Your Committee finds that the United States military presence in the State is critical to the State's economy. Military spending in the State is approximately \$8,800,000,000 each year and generates approximately 102,000 local jobs. The military's influence on the State's economy is second to only tourism. The Office of Military Affairs and Veterans' Services will address the needs of the expanded and appreciated military and veteran population in the State.

Your Committee has amended this measure by:

- (1) Expanding the duties of the Office of Military Affairs and Veterans' Services to include interacting and working with the Armed Services in the State to address any issues; collecting and maintaining information pertaining to the military's economic impact in the State; serving as a liaison between the State's Executive Branch and the State's Armed Services; and researching federal funding opportunities; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 559, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 559, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 74 Public Safety, Intergovernmental and Military Affairs on S.B. No. 533

The purpose and intent of this measure is to allow the news media to access areas that are closed pursuant to emergency management powers of the Governor or Mayor.

Your Committee received testimony in support of this measure from the Society of Professional Journalists Hawaii Chapter and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Emergency Management Agency; Department of Transportation; Department of Emergency Management, City and County of Honolulu; Police Department of the City and County of Honolulu; and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that there are often significant events in the State that greatly affect the State's residents. The recent lava flow on Hawaii island impacted many residents, but the news media was restricted from accessing areas that were closed pursuant to emergency management powers. As a result, the news media was unable to disseminate complete information to residents. The implementation of this measure will allow for public safety while also safely providing the news media with access to closed areas.

Your Committee has amended this measure by:

- (1) Adding language to require news media to be under the supervision of Emergency Management Agency personnel in order to access areas that are closed pursuant to emergency management powers of the Governor or Mayor;
- (2) Adding language that indemnifies the State and counties from any damage or injury to a person or property as a result of any news media entering an area closed pursuant to emergency management powers of the Governor or Mayor;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 533, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 75 Public Safety, Intergovernmental and Military Affairs on S.B. No. 686

The purpose and intent of this measure is to appropriate funds for the planning, design, and construction of a memorial honoring the veterans of the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation Enduring Freedom, Operation New Dawn, Global War on Terrorism, Homeland Defense, and Operation Noble Eagle, and those who have protected our borders by land, sea, and air and for replicas to be placed on each neighbor island.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency and State Office of Veterans Services.

Your Committee finds that the Legislature enacted Act 139, Session Laws of Hawaii 2013, directing the development of a plan to establish a war memorial. Accordingly, this measure appropriates the funds to build and establish a memorial and replica memorials on each neighbor island, as recommended by the Gulf War Memorial task force.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 686 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 76 Public Safety, Intergovernmental and Military Affairs on S.B. No. 73

The purpose and intent of this measure is to amend the law relating to public safety.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to:

- (1) Allow committed persons to create approved products and crafts that may be sold through the correctional industries program; and
- (2) Require that all monies collected from the sale of products and crafts be deposited into the correctional industries revolving fund and the committed person's account.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 73, as amended herein, and recommends that it be recommitted to the Committee on Public Safety, Intergovernmental and Military Affairs, in the form attached hereto as S.B. No. 73, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 77 Transportation on S.B. No. 612

The purpose and intent of this measure is to require a period of probation for any person convicted of the offense of operating a vehicle under the influence of an intoxicant and operating a vehicle after license and privilege have been suspended or revoked for operating a vehicle under the influence of an intoxicant.

Your Committee received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; County of Kaua'i, Office of the Prosecuting Attorney; Hawaii Chapter of Mothers Against Drunk Driving; and three individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments from the Judiciary.

Your Committee finds that probation is necessary to enhance the monitoring of those convicted of operating a vehicle while under the influence of an intoxicant. This measure provides a better method of monitoring the driver to ensure compliance of conditions set forth by probation. With the imposition of probation and the installation of an ignition interlock, offenders will be better monitored.

Your Committee also finds that as Hawaii's ignition interlock laws have developed, a gap has been identified concerning second time and subsequent offenders. Since there is no possibility to sentence repeat offenders to probation, the requirement to install and comply with ignition interlock requirements has gone unchecked. In addition, after completion of a sentence for the offense of operating a vehicle under the influence of an intoxicant, drivers no longer fall under the supervision of the jurisdiction of the District Court. Therefore, presently convicted drunk drivers are not required to abstain from alcohol consumption as a consequence of a condition of probation.

Your Committee is concerned that this measure would drastically increase the expenses to the Judiciary in the way of hiring more probation officers. Your Committee believes that making probation optional in some instances and reducing the period of probation would decrease the number of probationers. As amended, this measure serves that purpose while preserving mandatory probation and probation periods in instances where the repetitiveness of the offenses indicates that the offender needs such supervision.

Your Committee has amended this measure by:

- (1) Making probation an option in sentencing for the first conviction of operating a vehicle under the influence of an intoxicant for a period of not less than one year nor more than two years;
- (2) Making probation an option in sentencing for a second conviction of operating a vehicle under the influence of an intoxicant occurring within five years of the first conviction and reducing the sentence of probation from a period of not less than two years nor more than four years to a period of not less than one year nor more than two years; and
- (3) Reducing the mandatory sentencing for a third conviction occurring within five years of two prior convictions for operating a vehicle under the influence of an intoxicant to probation from a period of not less than three years nor more than five years to a period of not less than two years nor more than three years.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 612, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 612, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (English, Kidani).

SCRep. 76 Human Services and Housing on S.B. No. 1106

The purpose and intent of this measure is to replace specific program references in the Hawaii Revised Statutes to QUEST and QUEST Expanded Access with “medicaid managed care” due to program changes within the Department of Human Services.

Your Committee received testimony in support of this measure from the Department of Human Services. Your Committee received testimony in opposition to this measure from the Hawaii Community Pharmacists Association and Pharmaceutical Research and Manufacturers of America.

Your Committee finds that on January 1, 2015, the QUEST and QUEST Expanded Access programs within the Department of Human Services were combined into one program called QUEST Integration. Your Committee further finds that the Hawaii Revised Statutes need to be amended to remove references to the programs that no longer exist.

Your Committee heard testimony expressing concern that one of the proposed amendments in this measure authorizes Medicaid managed care health plans to subject all prescription drugs to prior authorization procedures. This change would include drugs for conditions such as HIV, AIDS, and Hepatitis C, which previously were not subject to preauthorization for individuals covered by the QUEST Expanded Access program.

Subsequent to the hearing and at the request of your Committee, the Department of Human Services submitted additional comments to your Committee for inclusion in this Committee Report, but not for inclusion in this measure. The additional comments of the Department concluded that the prescription preauthorization procedures in this measure will reduce the risk and exposure to the State presented by skyrocketing costs of new drugs. Specifically, this measure will align with the State’s goals to provide access to quality care that follow national best practice guidelines and include a responsibility to contain costs by focusing on efficacy and sound policy. The Department indicates that actuaries are calculating the costs of providing such drugs to individuals currently not requiring preauthorization (non-aged, non-blind, and non-disabled QUEST Integration beneficiaries) over the next fiscal biennium, and that the projected estimates are \$24,000,000 in addition to what was requested in the Department’s budget.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1106, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1106, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 79 Human Services and Housing on S.B. No. 1107

The purpose and intent of this measure is to appropriate \$2,514,822 in general funds as an emergency appropriation to the Department of Human Services for general assistance payments to address the budget shortfall for the general support of the general assistance program.

Your Committee received testimony in support of this measure from the Department of Human Services, PHOCUSED, and Bridge to Hope.

Your Committee finds that a critical funding emergency exists that threatens the general assistance program, which provides cash benefits for food, clothing, shelter, and other essentials to approximately 5,752 adults who are temporarily disabled and do not qualify for federal benefits through the Social Security Administration. The program will expend all appropriated funds before the end of the current fiscal year and will then be unable to maintain the current monthly benefit, which is already barely enough to cover living expenses for eligible individuals. Your Committee further finds that the general assistance program is a block grant, and the Department of Human Services is unable to cover the current shortfall with funding from other programs.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1107 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 80 (Majority) Commerce and Consumer Protection on S.B. No. 1220

The purpose and intent of this measure is to:

- (1) Expand the definition of “tobacco products” to include any product containing nicotine, but not containing tobacco;
- (2) Impose an excise tax equal to eighty per cent of the wholesale price of any tobacco product, other than large cigars, sold by a wholesaler or dealer on and after January 1, 2016, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer;
- (3) Require any subsequent increase in the excise tax rate imposed on cigarettes or little cigars on or after January 1, 2016, to trigger an automatic excise tax increase on other tobacco products, other than large cigars, on or after January 1, 2016; and
- (4) Require the additional monies collected under the excise tax to be deposited to the credit of the Hawaii cancer research special fund.

Your Committee received testimony in support of this measure from the Department of Health, Coalition for a Tobacco-Free Hawai'i, American Cancer Society Cancer Action Network, American Lung Association of the Mountain Pacific, Hawaii COPD Coalition, Hawai'i Public Health Association, and thirty-eight individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance, VOLCANO Fine Electronic Cigarettes, PC Gamerz, and thirty individuals. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, Vape Hawaii, and one individual.

Your Committee finds that under existing law, the tax on other tobacco products is lower than the tax on cigarettes, despite these products being similarly addictive and dangerous. Other tobacco products present significant health risks, which can lead to cancer, heart disease, respiratory illness, and other serious diseases.

Your Committee further finds that according to the federal Centers for Disease Control and Prevention, increasing the price of tobacco products is the most effective way to prevent initiation among nonsmokers and reduce consumption. Furthermore, consumers may be more likely to purchase other tobacco products as the price of cigarettes increases, if there is not a comparable increase in the price of other tobacco products. Accordingly, this measure increases the excise tax equal to eighty percent of the wholesale price of any tobacco product, other than large cigars. This increased amount in the excise tax will provide parity with the current tax on cigarettes.

Your Committee has amended this measure by:

- (1) Clarifying that the amended definition of "tobacco product" does not include any product specifically approved by the United States Food and Drug Administration for legal sale as a tobacco cessation product that is being marketed and sold solely for that approved purpose; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1220, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1220, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Taniguchi).

SCRep. 81 Commerce and Consumer Protection on S.B. No. 752

The purpose and intent of this measure is to require telecommunications carriers to release individuals from shared or family wireless plans, without charge, upon written request in documented instances of domestic violence.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawai'i; Office of the Prosecuting Attorney, County of Kaua'i; Hawaii State Commission on the Status of Women; Hawaii State Coalition Against Domestic Violence; Domestic Violence Action Center; PHOCUSED; and one individual. Your Committee received testimony in opposition to this measure from CTIA – The Wireless Association.

Your Committee finds that victims of domestic violence often find themselves struggling to escape their abusive situations. Being forced to share a continued wireless service plan with an abuser makes it even more difficult for a victim of domestic violence to leave. Abusers will often manipulate their partners through cellular phones in ways that have significant safety and financial implications for victims.

Your Committee further finds that although wireless service providers do permit cancellation or removal of phone numbers or phones from a shared wireless plan, such cancellation or removal may come with substantial fees and charges that act as a barrier to leaving a violent situation. This measure eases a domestic violence victim's financial burden, reduces the potential for negative marks on a credit score, and increases safety by permitting victims of domestic violence to opt out of wireless contractual obligations.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 752 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 82 (Majority) Commerce and Consumer Protection on S.B. No. 1032

The purpose and intent of this measure is to:

- (1) Expand the definition of "tobacco products" to include any product containing nicotine, but not containing tobacco;
- (2) Increase the license fee for persons engaged as a wholesaler or dealer of cigarettes or tobacco products;
- (3) Increase the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products; and
- (4) Specify that revenue from the license and permit fees shall be used to support smoking cessation programs in the State.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i Cancer Center, Coalition for a Tobacco-Free Hawai'i, Hawaii COPD Coalition, American Cancer Society Cancer Action Network, and one individual. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance, Hawaii Food Industry Association, Hawaii Smokers Alliance, VOLCANO Fine Electronic Cigarettes, Island Vaporz, and nine individuals. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that, when compared to other states that charge a wholesale and dealer license fee, Hawaii's license fee is the lowest in the nation. This fee has also remained unchanged since 1995, despite high tobacco taxes and ever-increasing tobacco industry expenditures in marketing and advertising. Hawaii's retail tobacco permit fee is also one of the lowest in the nation among those states that charge a retail tobacco permit fee.

Your Committee further finds that tobacco licensing is an effective tool for limiting the negative public health consequences of tobacco use by ensuring that wholesalers, dealers, and retailers comply with responsible sales practices. Wholesaler, dealer, and retail licenses with adequate annual fees provide the necessary resources for administrative costs and enforcement of tax laws.

Your Committee has heard the concerns raised by the Department of Budget and Finance regarding the dedication of general fund revenues for a specific purpose and understands that this may impede the State's ability to fund other programs included in the Executive Budget.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the requirement that revenue from the license and permit fees shall be used to support smoking cessation programs in the State;
- (2) Inserting an effective date of January 1, 2016, to allow the Department of Taxation sufficient time to amend its forms and instructions; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1032, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1032, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Taniguchi).

SCRep. 83 Energy and Environment on S.B. No. 710

The purpose and intent of this measure is to appropriate funds to the Department of Health to support the revision of the state integrated solid waste management plan.

Your Committee received testimony in support of this measure from the Office of the State Auditor, Hawaii Green Growth, Zero Waste Kauai, and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the State's integrated solid waste management goals are to reduce the solid waste stream prior to disposal through source reduction, recycling, and bioconversion. The state integrated solid waste management plan furthers the State's waste management goals and ensures progress toward managing the State's waste. The Office of Solid Waste Management is required to prepare revisions to the state integrated solid waste management plan following the approval and review of each revised county-specific plan. While each county has completed its plan revision, the revision process has been delayed due to a lack of funds. The implementation of this measure will support the timely revision of the state integrated solid waste management plan.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 710 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 84 (Joint) Energy and Environment and Water and Land on S.B. No. 591

The purpose and intent of this measure is to appropriate funds to the Hawaii Invasive Species Council for the coordinated management and removal of the albizia trees on Hawaii island and throughout the State.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Emergency Management Agency, Office of Environmental Quality Control, Maui Invasive Species Committee, Oahu Invasive Species Committee, Hawaii Farm Bureau, Nature Conservancy, Hawaiian Shores Community Association, Hawaiian Electric Company, and nine individuals. Your Committees received comments on this measure from one individual.

Your Committees find that albizia trees are an invasive species that present an increasingly costly threat to the economy, critical infrastructure, and public safety. The pre-planned removal of each albizia tree costs significantly less than the combined direct and indirect costs of removal if and when it falls into a road, power line, or building. The Hawaii Invasive Species Council and the Big Island Invasive Species Committee have demonstrated the effectiveness and necessity of a coordinated approach to controlling the growth and spread of albizia trees. The implementation of this measure will allow the Hawaii Invasive Species Council to continue working toward the management and removal of albizia trees that pose a critical threat to the State.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 591 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 85 Energy and Environment on S.B. No. 353

The purpose and intent of this measure is to:

- (1) Amend the advance disposal fee for glass containers to a tiered structure based on the interior volume of the glass container; and
- (2) Require the State Auditor to audit the advance disposal fee program at the earliest opportunity and again five years later and submit the results to the Legislature.

Your Committee received testimony in support of this measure from the County of Hawaii Department of Environmental Management. Your Committee received testimony in opposition to this measure from the Wine Institute. Your Committee received comments on this measure from the State Office of the Auditor, Department of Health, Tax Foundation of Hawaii, and Hawaii Food Industry Association.

Your Committee finds that the cost of recycling glass containers far exceeds the revenue that the State receives through the advance disposal fee, which is imposed on sealed glass containers that are not glass deposit beverage containers. The result is a shortfall in payment for glass recycling or stoppages in the recycling of glass containers.

Your Committee further finds that the advance disposal fee of 1.5 cents per glass container has not been increased since it was established on September 1, 1994. Also, there is a huge disparity in weight between small glass containers and larger glass containers, which cost more to recycle. This measure revises the advance disposal fee for glass containers to a fairer, more reasonable tiered structure based on the interior volume of the glass container.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 353 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 86 Energy and Environment on S.B. No. 350

The purpose and intent of this measure is to:

- (1) Require the Department of Taxation, in collaboration with the Department of Business, Economic Development, and Tourism, to submit a joint report to the Legislature each year that is related to tax credits for renewable energy technology properties, the total cost of the renewable energy tax credits to the State, and the estimated economic benefit of the renewable energy tax credits for each of the previous four taxable years; and
- (2) Appropriate funds to the Department of Taxation and Department of Business, Economic Development, and Tourism for necessary costs in preparing and submitting the joint report.

Your Committee received comments on this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii.

Your Committee finds that the Legislature requires factual information and economic data on the fiscal impact of tax credits in past years in order to evaluate the effectiveness of the tax credits and to properly compare projections for future years resulting from proposed changes to the tax credits. The implementation of this measure provides the Legislature with critical information pertaining to renewable energy tax credits.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that the annual joint report to the Legislature shall include information and data from each of the previous four taxable years for which information or data is available;
- (2) Authorizing the Department of Taxation to request and collect any additional information or data from a taxpayer that is needed to satisfy the reporting requirements of this measure; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 350, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 350, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

SCRep. 87 (Joint) Education and Health on S.B. No. 977

The purpose and intent of this measure is to provide funds to the Department of Education for the purpose of raising awareness of mental health issues; providing training to public school administrators, teachers, and other school personnel so they may more effectively support students; and creating additional public school counselor positions.

Your Committees received testimony in support of this measure from the Department of Education, Helping Hands Hawaii, Hawaii Youth Services Network, and Halau Ku Mana. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that mental health training for school administrators, teachers, and other personnel will increase their capacity to identify, respond, and support students who may be experiencing mental health challenges. Arming school personnel with knowledge about mental health concerns may help to identify students in need of mental health services and work to alleviate stigmas surrounding mental illness.

Your Committees further find that school counselor positions are created at the school level through weighted student formula funds, and an appropriation for additional positions may not result in additional counselors.

As such your Committees have amended this measure by removing the appropriation for additional school counselor positions.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 977, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 977, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kouchi).

Health

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 88 (Joint) Education and Health on S.B. No. 841

The purpose and intent of this measure is to improve the delivery of school health services by establishing an interagency working group to create a comprehensive school health program.

Your Committees received testimony in support of this measure from the Department of Education, Department of Health, and Hawaii Primary Care Association. Your Committees received comments on this measure from one individual.

Your Committees find that the health and well-being of Hawaii's school children is important to their success in school and in life. Collaboration between the Department of Education and Department of Health to address various issues related to school health is important to meet student needs and support student success.

Your Committees have amended this measure by expanding the scope of the working group to include topics regarding the administration of auto-injectable epinephrine, care of students with diabetes, and the need for mental health counselors, nurses, and health aides.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 841, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 841, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kouchi).

Health

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 89 (Joint) Education and Health on S.B. No. 1221

The purpose and intent of this measure is to require the Department of Education to provide care at the public schools to students with diabetes according to their medical management plans.

Your Committees received testimony in support of this measure from the Department of Health, American Diabetes Association, and forty-eight individuals. Your Committees received comments on this measure from the Department of Education and State Public Charter School Commission.

Your Committees find that diabetes management is a constant concern for students with diabetes. Testing, injections, medication, and measures to raise or lower blood sugar are all daily tasks for anyone with diabetes. The school environment and rules can make diabetes management even more onerous for students.

Your Committees further find that trained staff in every school that has at least one student with diabetes enrolled is necessary to assist students with diabetes to carry out their medical management plans. Requiring schools to be prepared to help students with diabetes will make school safer for those students and enable them to more fully participate in school functions.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1221, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1221, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kouchi).

Health

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 90 (Joint) Education and Health on S.B. No. 846

The purpose and intent of this measure is to authorize Department of Education employees and agents to volunteer to administer auto-injectable epinephrine to a student experiencing anaphylaxis in an emergency situation and to allow the Department of Education to make arrangements to receive auto-injectable epinephrine supplies from manufacturers or suppliers.

Your Committees received testimony in support of this measure from the Department of Education, Department of Health, Special Education Advisory Council, Community Children's Council of Hawaii, Walgreens Co., American Diabetes Association, and one individual. Your Committee received comments on this measure from the Hawaii Association for Justice.

Your Committees find that anaphylaxis is a life threatening condition, and students exposed to allergens at school that cause the onset of anaphylaxis would be aided by the availability of a school staff person to administer auto-injectable epinephrine. While many older children are able to manage treatment on their own, young children and students with certain disabilities benefit from having trained volunteers available in the event of an emergency. Allowing Department of Education employees and agents to volunteer to administer auto-injectable epinephrine in emergency situations will make schools safer for students with anaphylaxis.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 846 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kouchi).

Health

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 91 (Joint) Education and Health on S.B. No. 394

The purpose and intent of this measure is to provide accurate, educational information to sixth graders on human papillomavirus, its connection to cervical cancer and other cancers, and the availability of a vaccine against human papillomavirus through the collaborative efforts of the Department of Education and Department of Health.

Your Committees received testimony in support of this measure from the Department of Education; Hawaii State Commission on the Status of Women; Planned Parenthood Hawaii; Hawaii Youth Services Network; Hawaii Women's Coalition; Hawaii State Democratic Women's Caucus; League of Women Voters; American Association of University Women of Hawaii; National Coalition of STD Directors; Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus, Rainbow Family 808; and four individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the human papillomavirus vaccine may prevent certain cancers, thereby saving lives. The prevention of infectious disease is paramount to a safe and healthy society. Sharing accurate, educational information on diseases and vaccinations and presenting it to families whose children are of an appropriate age to receive the vaccine is appropriate and necessary to better educate the community and promote public health.

Your Committees have amended this measure by broadening its scope to include development and dissemination of information about diphtheria, tetanus, pertussis, meningococcal disease, influenza, and the availability of vaccines for each disease, along with information on any other preteen vaccinations and the diseases they prevent consistent with current medical practice and national recommendations by the Centers for Disease Control and Prevention.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 394, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 394, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kouchi).

Health

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 92 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1211

The purpose and intent of this measure is to:

- (1) Increase the expenditure ceiling on major disaster fund monies; and
- (2) Require the Adjutant General to report to the Legislature the purpose of any allotment of fund monies or any expenditure of fund monies within one month of the allotment or expenditure.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency.

Your Committee finds that the State is vulnerable to a wide range of natural and man-made hazards that may result in emergencies or disasters that are extremely costly. The major disaster fund is used to provide immediate relief in response to an emergency or disaster in any part of the State. However, existing law provides that the Governor may expend no more than \$2,000,000 for

immediate relief as a result of any single emergency or disaster. Implementation of this measure will authorize the Governor to expend a higher amount if required by a future emergency or disaster.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1211 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 93 Public Safety, Intergovernmental and Military Affairs on S.B. No. 889

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds to the Department of Defense to support the development of the Joint Emergency Management Center, including planning, land acquisition, and the initial appraisal scope.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency and two individuals.

Your Committee finds that various public safety and emergency management agencies have expressed an interest in developing the Joint Emergency Management Center to increase their collaboration and communication before, during, and after disasters. The addition of the Joint Emergency Management Center at a central location will bring together several essential agencies and organizations. The implementation of this measure will lead to enhanced emergency response capabilities and better protect the people of Hawaii.

Your Committee has amended this measure by amending section 1 to, among other things, clarify that the Joint Emergency Management Center will be at an undetermined, central location rather than a specific location.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 889, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 889, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 94 Public Safety, Intergovernmental and Military Affairs on S.B. No. 669

The purpose and intent of this measure is to appropriate funds to the State Department of Defense for programs, ceremonies, and activities commemorating the fiftieth anniversary of the Vietnam War.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency, State Office of Veterans Services, The Military Order of Foreign Wars Hawaii Commandery, and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii State Teachers Association and one individual.

Your Committee finds that the Vietnam War is a chapter in American's history that must never be forgotten. During the Vietnam War, more than 58,000 members of the United States Armed Forces were killed, over 153,000 were wounded, and as of 2014, there remain 1,638 Americans who are unaccounted for. It is important that the State honor the sacrifices of the men and women who served and to remember the suffering and loss of life of all who were involved.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 669 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 95 (Majority) Public Safety, Intergovernmental and Military Affairs on S.B. No. 663

The purpose and intent of this measure is to increase the fireworks display permit fee, which authorizes licensed pyrotechnicians to conduct aerial fireworks and indoor fireworks displays for theatrical purposes, from \$110 to \$300.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Maui Fire Department, Kauai Fire Department, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the process to approve a fireworks display permit is important to ensure public safety and property protection. The fireworks display permit fee has remained the same for thirteen years, yet the administrative costs to process, review, and approve permit applications have increased. This measure will address the rise in processing costs by raising the fireworks display permit fee from \$110 to \$300.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 663 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 96 (Joint/Majority) Public Safety, Intergovernmental and Military Affairs and Commerce and Consumer Protection on S.B. No. 193

The purpose and intent of this measure is to:

- (1) Require a prepaid wireless E911 surcharge on each retail prepaid transaction at the point of sale;
- (2) Allow sellers to deduct and retain three percent of the prepaid wireless E911 surcharges that are collected and requires the seller to remit all remaining surcharges collected to eHawaii.gov; and
- (3) Allow eHawaii.gov to retain up to two percent of the remitted prepaid wireless E911 surcharges collected to cover the costs of administering the prepaid wireless E911 charges and require eHawaii.gov to transfer all remaining remitted surcharges to the enhanced E911 fund.

Your Committees received testimony in support of this measure from the Enhanced 911 Board, Police Department of the City and County of Honolulu, Police Department of the County of Hawaii, Police Department of the County of Maui, Verizon, and CTIA - The Wireless Association. Your Committees received testimony in opposition to this measure from the Hawaii Food Industry Association. Your Committees received comments on this measure from the Department of Taxation, Department of the Attorney General, and Tax Foundation of Hawaii.

Your Committees find that prepaid wireless consumers have the same access to emergency 911 services from their wireless devices as wireless consumers on term contracts. Yet, prepaid wireless consumers receive this benefit without having to pay the enhanced 911 surcharge that is imposed on wireless consumers with term contracts. This measure ensures equitable contributions to the funding of 911 systems from consumers of prepaid wireless telecommunications services.

Your Committees have amended this measure by:

- (1) Prohibiting a seller from applying a prepaid wireless E911 surcharge on a transaction for a minimal amount of prepaid wireless telecommunications service that is sold with a prepaid wireless device for a single, non-itemized price;
- (2) Eliminating the requirement that audit and appeal procedures applicable to retailers, pursuant to chapter 237, Hawaii Revised Statutes, apply to prepaid wireless E911 surcharges;
- (3) Substituting references to "department" with references to the Enhanced E911 Board;
- (4) Deleting the Enhanced 911 Board's authority to retain a portion of remitted surcharges;
- (5) Amending the requirement that the Enhanced E911 Board establish procedures for sellers regarding documenting a sale that is not a retail transaction by eliminating the requirement that the procedures be in accordance with the procedures for documenting sale for resale transactions pursuant to chapter 237, Hawaii Revised Statutes;
- (6) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 193, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 193, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Keith-Agaran).

Commerce and Consumer Protection
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 97 (Joint) Education and Human Services and Housing on S.B. No. 865

The purpose and intent of this measure is to require all youth-serving agencies, public schools, charter schools, and educational institutions that receive state funding to establish, maintain, monitor, and enforce policies and procedures related to all forms of bullying, including cyberbullying, to protect youth in the State.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; Honolulu Police Department; Hawaii Youth Services Network; Rainbow Family 808; Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus; Hawaii State Democratic Women's Caucus; IMUAlliance; Hawaii State Teachers Association; and four individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Education, State Public Charter School Commission, and American Civil Liberties Union of Hawaii.

Your Committees find that bullying takes an emotional toll on children and interferes with their education. Bullying causes children to fear going to school and results in increased absenteeism. It is a distraction in the classroom and often carries over into online harassment. As many as twenty-five percent of middle school students have reported being victims of cyberbullying. In some cases, the harassment endured by bullied children even leads to suicide.

Your Committees further find that stronger policies against bullying and stronger enforcement of those policies are necessary to reduce the prevalence of bullying and youth suicide in Hawaii.

Your Committees have amended this measure by:

- (1) Codifying sections 3 through 9 as a new chapter in the Hawaii Revised Statutes rather than as session law;
- (2) Adding an appropriation to the Department of Education for anti-bullying and suicide prevention efforts in public schools; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 865, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 865, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Harimoto, Thielen, Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 98 (Joint) Education and Human Services and Housing on S.B. No. 858

The purpose and intent of this measure is to establish and fund an evidence-based physical activity and nutrition education pilot program within the Department of Education's After-school Plus Program.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association, Hawaii Island School Garden Network, Hawai'i Primary Care Association, Moiliili Community Center, YMCA of Honolulu, Hawai'i Afterschool Alliance, and Kahoomiki. Your Committees received comments on this measure from the Department of Education, Department of Human Services, and one individual.

Your Committees find that childhood obesity is a great concern in Hawaii. Increased physical activity and nutrition education work to decrease instances of obesity. The Fun 5 program has operated successfully within the Department of Education's After-school Plus Program and has provided nutrition education and structured physical activity for after school plus program participants. Evidence has shown that among Fun 5 participants, the childhood obesity rate does not rise. Implementing an evidence-based physical activity and nutrition education pilot program that gets children moving five days a week could help Hawaii's childhood obesity rate decline.

As affirmed by the records of votes of the members of your Committees on Education and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 858 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Harimoto, Thielen, Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 99 Health on S.B. No. 1016

The purpose and intent of this measure is to appropriate funds to establish an advanced life support ambulance to be based in Puna on the island of Hawaii, including the acquisition of a vehicle and equipment and personnel costs for state-certified emergency medical services personnel.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawai'i; Hawai'i Fire Department; Honolulu Emergency Services Department, Emergency Medical Services Division; Hawaii Fire Fighters Association, Local 1463; United Public Workers; and three individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that Puna community residents on the island of Hawaii are in great need of an additional advanced life support ambulance to augment the current Hawaii County Fire Department's Emergency Medical Services System. Puna has become the fastest growing district in the State, with a current population of more than 45,000 individuals and a projected population to surge to approximately 75,000 individuals within the next 15 years.

Your Committee further finds that the ongoing lava flow has exacerbated the need to serve the nearly 10,000 residents within the projected impact area. Critical transportation infrastructure continues to be affected, which will result in delayed emergency medical care for the residents of Puna if additional resources are not provided. The travel time to Hilo, once the flow crosses Highway 130, is expected to increase from the current average of thirty minutes to two hours.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1016 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 100 Health on S.B. No. 576

The purpose and intent of this measure is to appropriate funds as a grant to the Bay Clinic, Inc., for a mobile health unit to service the Puna district due to the threat of inaccessibility from the lava flow.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawai'i; Goodwill Industries of Hawaii, Inc.; Hawaii Primary Care Association; Bay Clinic, Inc.; United Public Workers, Local 646; and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that about 8,200 Puna residents are living on the south side of the June 27, 2014 lava flow and will be cut off from the rest of the Puna district when the lava crosses Highway 130. Although Bay Clinic, Inc., will continue operations out of its two Pahoehoe-based health centers, certain services, such as dental care, will not be readily available without a mobile health unit capable of such services. In light of this natural disaster, the availability of a mobile health unit is the most economical option to ensuring access to comprehensive primary medical care and dental care.

Your Committee has amended this measure by:

- (1) Inserting the contents of S.B. No. 580, Regular Session of 2015, which appropriates funds to the Puna Community Medical Center for a mobile health unit and an annex medical clinic to service South Pahoehoe due to the threat of inaccessibility from the lava flow; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 576, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 576, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 101 Commerce and Consumer Protection on S.B. No. 1151

The purpose and intent of this measure is to authorize:

- (1) Restaurants and retail dealers with a liquor license to sell beer, malt beverages, wine, or cider for off-premises consumption, under certain conditions; and
- (2) Brewpubs and small craft producer pubs with a liquor license to sell malt beverages purchased from another liquor licensee for off-premises consumption.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association, Hawaiian Craft Brewers Guild, Whole Foods Market, Maui Brewing Co., Maui Growlers LLC, and three individuals. Your Committee received testimony in opposition to this measure from the Wine Institute and Hawaii Liquor Wholesalers Association. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu and one individual.

Your Committee finds that this measure permits the sale of growlers at all liquor retail establishments and restaurants and allows brew pubs and small craft producer pubs to sell different brands of beer in growlers. This measure enables consumers to try an expanded selection of draft beer and also provides the opportunity for growth and expansion of the local craft beer industry.

Your Committee has heard testimony that wineries must be able to make a business decision as to the packaging of their wine sold to consumers and also need the ability to ensure that their wine is not adulterated. Your Committee understands the concern that allowing growlers to be used for wine, as proposed by this measure, may cause labeling and sanitation issues. Your Committee notes that this measure was intended to focus on the promotion of craft beer and local breweries, rather than the wine industry.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that permitted restaurants and retail dealers with a liquor license to sell wine for off-premises consumption, under certain conditions; and
- (2) Inserting an effective date of July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1151, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1151, S.D. 1, and be referred to the Committee on Public Safety, Intergovernmental and Military Affairs.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 102 Commerce and Consumer Protection on S.B. No. 1178

The purpose and intent of this measure is to increase the authorized per visit treatment cost for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance.

Your Committee received testimony in support of this measure from the Kailua Acupuncture Clinic, Institute of Clinical Acupuncture and Oriental Medicine, Hawaii Oriental Medicine and Acupuncture Association, and seven individuals. Your Committee received testimony in opposition to this measure from the Government Employees Insurance Company (GEICO). Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Insurers Council.

Your Committee finds that the reimbursement rate for licensed acupuncturists has not increased in almost twenty years, resulting in a reimbursement rate that has not kept up with inflation or the increased costs of providing care. Tying the cap on acupuncture treatments to the Medicare Economic Index will enable acupuncturists to receive reimbursement rates like other health care providers in the State. Your Committee notes that associating acupuncture reimbursement rates with the Medicare Economic Index will result in

a lower fee schedule than those already approved for acupuncture under federal workers' compensation and the federal Veterans' Administration.

Your Committee has amended this measure by:

- (1) Specifying that the authorized benefit for acupuncture treatments allowed under personal injury protection benefits shall be a maximum of \$105.70 per visit and be changed in December of each year to include the percentage, if any, by which the Medicare Economic Index for that calendar year exceeds the Medicare Economic Index for the prior calendar year;
- (2) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1178, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1178, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 103 Health on S.B. No. 1006

The purpose and intent of this measure is to appropriate funds for the purchase of one ambulance unit and operational costs for one ambulance unit to service the area of Kakaako.

Your Committee received testimony in support of this measure from the United Public Workers, Local 646. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the population of the area of Kakaako in the City and County of Honolulu has recently undergone a dramatic increase in population. There has been the development of numerous residential condominiums and an increase in businesses serving the residents. Correspondingly, there has been a steady and marked increase of calls for emergency medical services in the Kakaako area.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1006 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 104 Health on S.B. No. 266

The purpose and intent of this measure is to:

- (1) Appropriate funds to further develop the language access resource center and multilingual website pilot project; and
- (2) Authorize the hiring of necessary personnel to staff the resource center and administer the multilingual website.

Your Committee received testimony in support of this measure from the Office of Language Access, Hawaii Interpreter Action Network, and one individual.

Your Committee finds that according to the United States Census Bureau, American Community Survey of 2009-2011, twenty-four percent of Hawaii's population speak a language other than English at home. This includes nearly 281,607 persons who speak an Asian or Pacific Island language. According to the same studies, out of those who speak a language other than English at home, forty-six percent are limited English proficient.

Your Committee therefore recognizes that English is not the primary language for a significant portion of Hawaii's residents. These people have only a limited ability to read, write, speak, or understand English. Language barriers often prohibit many residents from fully participating in the community. Despite personal, family, community, and government efforts to make those with limited English proficiency more self-sufficient and productive, these efforts are often undermined by lack of access to essential government and government-funded services due to the language restrictions of Hawaii's limited English proficient population.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 266 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 105 Health on S.B. No. 385

The purpose and intent of this measure is to appropriate funds to the Department of Health for the breast and cervical cancer control program.

Your Committee received testimony in support of this measure from Planned Parenthood of Hawaii. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that after Congress passed the Breast and Cervical Cancer Mortality Act in 1990, the State established the breast and cervical cancer treatment program, administered by the Department of Human Services Med-QUEST Division. The Department of Health's breast and cervical cancer control program is the safety net for the most vulnerable women in the State.

Eligible women for the program face numerous barriers in their efforts to receive proper care, including socioeconomic status, language, literacy, and affordability of adequate health insurance.

Your Committee further finds that since 1997, the Department of Health's breast and cervical cancer control program has provided critical screening and early detection services to more than 9,500 women and diagnosed 263 invasive breast cancers and 148 cervical cancers and precancerous lesions. While progress is being made, breast and cervical cancers continue to take the lives of nearly 200 women in the State each year.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 385 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 106 Health on S.B. No. 300

The purpose and intent of this measure is to:

- (1) Amend the offense of assault in the second degree as it applies to medical professionals by expanding the types of medical services providers protected under this offense; and
- (2) Clarify that the offense of assault in the second degree does not apply to patients located outside of emergency rooms receiving medical services at the time injury to a medical services provider occurs.

Your Committee received testimony in support of this measure from The Queen's Health Systems, Healthcare Association of Hawaii, Hawaii Government Employees Association, Kaiser Permanente Hawaii, Hawaii Primary Care Association, and one individual.

Your Committee finds that health care workers are over four times more likely to be victims of workplace violence than other private sector workers. Health care workers are hit, kicked, scratched, bitten, spat on, threatened, and harassed by patients with surprising regularity, negatively impacting medical personnel by reinforcing that this type of violence is part of the job. Increased penalties for assaults against health care workers will help to protect these workers by providing them with legal recourse should any assault occur.

Your Committee has amended this measure by amending language to expand the scope of protection for patients to include assaults against all medical service personnel who are treating the patient, not only those occurring within the emergency room.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 300, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 107 Health on S.B. No. 790

The purpose and intent of this measure is to increase access to provider orders for life-sustaining treatment by expanding health care provider signatory authority to include physician assistants.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association, Hawaii Academy of Physician Assistants, and one individual. Your Committee received comments on this measure from Hospice Hawaii.

Your Committee finds that Act 154, Session Laws of Hawaii 2014, codified as chapter 327K, Hawaii Revised Statutes, enables patients or their surrogates to create provider orders for life-sustaining treatment. Provider orders for life-sustaining treatment, also referred to as POLST, is a holistic method of planning for end-of-life care and a specific set of medical orders that ensure patients' wishes are honored. Completing a POLST form encourages communication and conversations between patients and health care providers.

Your Committee further finds that the national standard for authorized health care provider signatories includes licensed physicians, physician assistants, and advanced practice registered nurses. However, chapter 327K, Hawaii Revised Statutes, limits POLST to licensed physicians and advanced practice registered nurses. This creates a barrier to timely completion of POLST, especially in rural areas or on the neighbor islands.

Your Committee has amended this measure by inserting language to rename "physician orders for life-sustaining treatment" to "provider orders for life-sustaining treatment" to reflect Act 154, Session Laws of Hawaii 2014, and making similar technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 790, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 790, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.
Ayes, 7; Ayes with Reservations (Baker, Slom). Noes, none. Excused, none.

SCRep. 108 (Majority) Health on S.B. No. 1117

The purpose and intent of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Hawaii Health Systems Corporation Kauai Region Board of Directors, United Public Workers, and three individuals.

Your Committee finds that during fiscal year 2015, the Hawaii Health Systems Corporation has been forced to absorb approximately \$48,000,000 in unfunded collective bargaining raises that were negotiated by the Administration on the Corporation's behalf. To deal with this deficit, the Hawaii Health Systems Corporation began implementing its contingency plans, including an elimination of 109 vacant positions and 33 filled positions, the closure of Maui Memorial's adolescent psychiatry unit, hiring freezes, and aggressive pursuit of attrition savings. An emergency appropriation is necessary to avoid jeopardizing health care operations for residents and visitors of the State.

Your Committee further finds that the Administration has recently provided notice recommending the emergency appropriation provided in this measure in the amount of \$24,000,000.

Your Committee has amended this measure by:

- (1) Amending the appropriation amount to \$24,000,000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1117, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1117, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Riviere). Noes, 1 (Slom). Excused, none.

SCRep. 109 Health on S.B. No. 406

The purpose and intent of this measure is to appropriate funds for the Hawaii Health Systems Corporation primary care training program at Hilo Medical Center.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Hawaii State Association of Counties, Hawaii Island Chamber of Commerce, The Queen's Health Systems, Hawaii Medical Association, Zonta Club of Hilo, Japanese Chamber of Commerce and Industry of Hawaii, Hilo Medical Center Foundation Board of Directors, and fifty-five individuals.

Your Committee finds that the Hawaii Health Systems Corporation primary care training program is an effective way to reduce the impact of the shortage of primary care providers and improve access to health care throughout the State, especially on the neighbor islands. Administered by Hilo Medical Center, this interdisciplinary program is centered at the Hawaii Island Family Health Center, which serves as a training site for family medicine physicians and medical students through the Hawaii island family medicine residency; advanced practice nurses from the school of nursing and dental hygiene at the University of Hawaii at Manoa and the University of Hawaii at Hilo; registered nursing students from the University of Hawaii at Hilo; pharmacy students in clinical pharmacy practice from the University of Hawaii at Hilo's Daniel K. Inouye College of Pharmacy; health psychologists from I Ola Lahui, an organization that trains psychologists to meet the needs of residents of Hawaii's rural areas; and baccalaureate nursing students from the School of Nursing at the University of Hawaii at Hilo.

Your Committee further finds that this interdisciplinary training model can be expanded to other neighbor island health facilities to generate interdisciplinary teams capable of caring for four times as many patients as independent practicing physicians could care for alone. Hawaii will benefit greatly as the Hawaii Health Systems Corporation program contributes to training primary care providers in the emerging model of primary care and patient-centered medical homes, and attracts health care providers to practice in rural Hawaii, including the neighbor islands.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 406 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 110 Education on S.B. No. 850

The purpose and intent of this measure is to fund the State Public Charter School Commission facilities pilot project.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii Public Charter Schools Network, Malama Honua Charter School, Hawaii Academy of Arts and Sciences, Kamehameha Schools, Maui Cattlemen's Association, Hawaii State Teachers Association, and three individuals.

Your Committee finds that facilities funding is one of the greatest concerns for public charter schools. Some schools lack adequate food service facilities, and must provide school meals through vendors. Operational funds are stretched to cover the cost of facilities, in many cases. Additional funding is necessary to alleviate the overwhelming financial burden of operating facilities that is imposed on public charter schools.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 850 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 111 Education on S.B. No. 252

The purpose and intent of this measure is to establish a special fund for the operation of the state public charter school commission and charter schools.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs and Hawaii State Teachers Association. Your Committee received comments on this measure from the State Public Charter Schools Commission and Department of Budget and Finance.

Your Committee finds that this measure may facilitate greater economic efficiency and transparency in the public charter school system by creating a more distinct separation between the State Public Charter School Commission and State public charter schools funding.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 252, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 252, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 112 Education on S.B. No. 833

The purpose and intent of this measure is to:

- (1) Expedite the process of school closure when a public charter school becomes financially insolvent by deeming the school to have voluntarily surrendered its charter contract;
- (2) Require an authorizer to determine whether health and safety concerns require school closure;
- (3) Require an authorizer to adopt a closure protocol any time a school is subject to closure; and
- (4) Require an authorizer to determine whether to provide for a transition period in the event of a school closure.

Your Committee received testimony in support of this measure from the State Public Charter School Commission and the Hawaii State Teachers Association. Your Committee received testimony in opposition to this measure from the Hawaii Academy of Arts and Sciences and four individuals.

Your Committee finds that the lengthy process for revocation of a school's charter is not an appropriate procedure to initiate when a school is already insolvent or insists on operating despite insolvency. A more efficient approach is needed when circumstances are such that a school no longer has funds to operate or pay staff. School children, families, and communities require time to transition from one school to the next, and requiring an authorizer to step in, implement a closure protocol, and a transition period, if necessary, could ease the difficult transition that occurs when a school closes.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 833 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 113 Education on S.B. No. 832

The purpose and intent of this measure is to allow a student who is enrolled at a public charter school that has been notified of the prospect of revocation, nonrenewal, or closure, to enroll in a Department of Education school outside the student's service area.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Public Charter Schools Network, Hawaii State Teachers Association, and one individual.

Your Committee finds that families are heavily impacted by the closure of a child's school. To ease the hardship and stress of enrolling in a new school, sometimes in the middle of a school year, a geographic exception to allow a student to attend a Department of Education school outside the student's service area is appropriate. The availability of a geographic exception may assist families in maintaining or obtaining child care, and make the transition to a new school a smooth one.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 832 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 114 Education on S.B. No. 831

The purpose and intent of this measure is to align the requirements for applying for start-up and conversion charter schools, and to make housekeeping amendments to chapter 302D, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the State Public Charter School Commission and Hawaii State Teachers Association. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that certain amendments are necessary to make incremental but important improvements to chapter 302D, Hawaii Revised Statutes, relating to charter schools. Among other things, the changes contained in this measure afford the State Public Charter School Commission some flexibility in filing reports to the Legislature, gives students of charter schools that are closing priority for admission to other charter schools, allows an enrollment preference to be given to educationally disadvantaged students, and requires the Department of Education to notify the Board of Education of potential closure of any Department school so the Board can consider the disposition of the facility.

Your Committee has amended this measure by:

- (1) Giving authorizers the choice of whether to require a public charter school it oversees to submit an annual report to the authorizer; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 831, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 831, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 115 Education on S.B. No. 1347

The purpose and intent of this measure is to allow public schools, upon approval, to use school resources to distribute to students and their families third party promotional materials that contain information about a community event or are produced by or offer services from a nonprofit organization.

Your Committee received testimony in support of this measure from the Department of Education and one individual. Your Committee received testimony in opposition to this measure from the Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus.

Your Committee finds that it is important for public schools to engage with community nonprofit organizations. This measure gives principals the authority to review and, if approved by the complex area superintendent, distribute promotional materials regarding community events that have a clear benefit for students.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1347 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 116 Education on S.B. No. 820

The purpose and intent of this measure is to increase the number of public school student representatives from one to two representatives.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that increasing the number of public school student representatives to the Board of Education will give more students an opportunity to serve. It will also enhance the students' experience by providing opportunities for peer collaboration for problem solving and reporting to the Board.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 820 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 117 Education on S.B. No. 1345

The purpose and intent of this measure is to transition public schools away from the multi-track schedule and give overpopulated schools priority for capital improvement projects in order to develop facilities to accommodate the student population.

Your Committee received testimony in support of this measure from the Department of Education and Hawaii State Teachers Association.

Your Committee finds that the use of a multi-track school schedule is economically-motivated. The multi-track schedule is not driven by educational outcomes, but is simply a strategy for accommodating a larger number of students by always having one track of students on break, and utilizing facilities year-round.

Your Committee further finds that decoupling schools from a multi-track schedule will likely require a number of actions which may include but not be limited to, redistricting, construction of new classroom buildings on existing campuses, and building additional schools. Cafeterias, gymnasiums, and auditoriums will also need to be evaluated to determine whether modifications would be necessary to accommodate a greater population of students.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1345 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 118 Education on S.B. No. 1376

The purpose and intent of this measure is to fund the expansion of the Ike Piliolo School Behavioral Health Program in the Leilehua-Mililani-Waialua complex area.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, and The Queen's Health Systems.

Your Committee finds that the Ike Piliolo Program provides students with psychiatric care in the school setting with direct input from teachers, counselors, and administrators. The program is delivered through a collaboration of providers from The Queen's Medical Center, Tripler Army Medical Center, and the Department of Education, and serves military dependents and the civilian population seamlessly. The program alleviates major hurdles between families and mental health services including cost, stigma, time, and distance.

Your Committee further finds that behavioral reports and suspensions have dropped off significantly since implementing the program. Not only does it have an immediate impact, but because children benefit from early identification of mental health concerns, interventions are more effective, and the child is more likely to effectively address ongoing or future mental health challenges.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1376 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 119 Education on S.B. No. 600

The purpose and intent of this measure is to provide emergency funds to Kua o Ka La Public Charter School and the Hawaii Academy of Arts and Science Public Charter School for costs associated with the threat of lava flow on the Island of Hawaii.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Public Charter Schools Network, Office of Hawaiian Affairs, Kua o Ka La Public Charter School, Hawaii Academy of Arts and Science Public Charter School, Hawaii Island School Garden Network, Kamehameha Schools, Hawaii State Teachers Association, and one hundred fifty individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Kua o Ka La Public Charter School and the Hawaii Academy of Arts and Sciences Public Charter School have expended funds to prepare for the lava flow on the Island of Hawaii. Hawaii Academy of Arts and Sciences Public Charter School is in the direct path of the flow, but has not been subject to mandatory evacuation. As such, it must continue to operate in its current location due to rent commitments. Should the lava continue on its path, the campus could be bisected with lava flow, some facilities could be lost, and access could become restricted. Kua o Ka La Public Charter School has expended funds to expand its location in Hilo to accommodate students whose access to the main campus could be cut off by lava flow. It is also preparing for additional enrollment depending on the lava flow's impact on transportation.

Your Committee further finds that because public charter schools have no emergency funds, and because federal aid only exists in the form of reimbursements, these schools require state aid to prepare for and recover from the effects of the lava flow on the Island of Hawaii.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 600 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 120 Education on S.B. No. 126

The purpose and intent of this measure is to change the composition of the Board of Education to ensure that the Board returns to acting as the local school board and reconnects to communities and to hold the Governor accountable for the Governor's nominations.

Your Committee received testimony in support of this measure from the Special Education Advisory Council, Community Children's Council of Hawaii, and Hawaii State Teachers Association. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the Board of Education requires restructuring to address concerns of accountability, experience, and transition. In the absence of an elected board, the Governor must be held accountable for the Governor's appointments to the Board of Education. At least some board members must have experience in the field of education with the specific knowledge that only comes from having experience at the school level. The ability to transition the Board is also important to ensure continuity for unfinished business.

Your Committee has amended this measure by:

- (1) Requiring that at least one at-large member be a resident of the County of Kauai, County of Maui, or County of Hawaii;

- (2) Expanding the scope with which board members possess experience in educational leadership by requiring one member to have experience either as a principal or vice principal;
- (3) Removing the requirement that the members, rather than the Governor, choose the board chair;
- (4) Staggering board members' terms to ensure that board members' terms run more closely with the terms of their appointing Governors by:
 - (A) Terminating the terms of four existing members, to be chosen by the Governor, on June 30, 2015;
 - (B) Requiring the Governor to appoint successor members to those terminated pursuant to subparagraph (A), the newly established at-large member, and the newly established City and County of Honolulu member, whose terms shall commence on July 1, 2015, and terminate on December 31, 2018;
 - (C) Requiring the terms of the five existing members who were not terminated pursuant to subparagraph (A) to terminate on June 30, 2016; and
 - (D) Requiring the Governor to appoint successor members to those members terminated pursuant to subparagraph (C), whose terms shall commence on July 1, 2016, and terminate on December 31, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 126, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 126, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, 3 (Dela Cruz, Kouchi, Nishihara).

SCRep. 121 Health on S.B. No. 749

The purpose and intent of this measure is to establish and appropriate funds for a two-year Hawaii colorectal cancer screening and awareness pilot program using the Hawaii comprehensive breast and cervical cancer control program as a model.

Your Committee received testimony in support of this measure from The Queen's Health Systems. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that of cancers affecting men and women, cancer of the colon and rectum, also known as colorectal cancer, is the second-leading cause of cancer-related deaths in the United States. In 2011, the United States Centers for Disease Control and Prevention reported that 135,260 people in the United States were diagnosed with colorectal cancer, including 70,099 men and 65,161 women. That same year, 51,783 people in the United States died from colorectal cancer, including 26,804 men and 24,979 women. Because colorectal cancer almost always develops from precancerous polyps in the colon or rectum, screening tests are an easy and effective method to find precancerous polyps and detect colorectal cancer in its early stages.

Your Committee further finds that a screening program will increase detections of any cancer at an early stage, improving chances for survival and decreasing mortality rates. Your Committee finds that the Hawaii comprehensive breast and cervical cancer control program, established by the Legislature in 1997 to provide breast and cervical cancer screening, is a model of an effective approach to increasing the number of screenings and early detection of colorectal cancer.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 749 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 122 Human Services and Housing on S.B. No. 915

The purpose and intent of this measure is to appropriate \$5,000,000 in general funds to assist and support the Hawaii Public Housing Authority's state low-income public housing program.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and Hawaii Primary Care Association.

Your Committee finds that section 356D-43, Hawaii Revised Statutes, mandates that the state low-income public housing program must be self-supporting. However, the rental income at the state housing facilities is insufficient. As a consequence, many of the expenses of day-to-day operations are currently subsidized using the small general fund appropriation the Hawaii Public Housing Authority receives for annual repair and maintenance and the Housing Authority's revolving funds.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 915 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 123 Human Services and Housing on S.B. No. 276

The purpose and intent of this measure is to strengthen elder and vulnerable adult care and plan for the future needs of the State's kupuna by creating the Hawaii kupuna trust fund.

Your Committee received testimony in support of this measure from the Department of Human Services, Maui County Office on Aging, and AARP Hawaii. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that establishing a Hawaii kupuna trust fund would support Hawaii's kupuna by utilizing public and private funding to meet overdue needs and prepare for future responsibilities to protect the State's elder and vulnerable adults. As examples, grants awarded from the trust fund would help prevent elder abuse and neglect, avoid financial exploitation of kupuna, and assist residents in elderly housing facilities.

Your Committee has amended this measure by:

- (1) Changing the oversight authority for the Hawaii kupuna trust fund from the Department of Budget and Finance to the Department of Health; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 276, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 276, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 124 Human Services and Housing on S.B. No. 1023

The purpose and intent of this measure is to appropriate \$250,000 for the restoration of the Hawaii Child Welfare Education Collaboration between the Child Welfare Services Branch of the Department of Human Services and the University of Hawaii Myron B. Thompson School of Social Work.

Your Committee received testimony in support of this measure from the University of Hawaii System, Department of Human Services, Blueprint for Change, Family Programs Hawaii, and two individuals.

Your Committee finds that in upcoming years, the Department of Human Services will face a serious shortage of experienced child welfare services workers and leaders. Your Committee further finds that the University of Hawaii Myron B. Thompson School of Social Work and Department of Human Services have a history of collaboration and partnership in successfully recruiting and training social work students to work in the child welfare field in Hawaii. Between 1998 and 2008, the Hawaii Child Welfare Education Collaboration was successful and produced one hundred graduates, twenty-five of whom are still employed at the Department in child welfare services positions. Your Committee believes that restoring the Hawaii Child Welfare Education Collaboration will help build a workforce of highly qualified social workers who will increase the level of child welfare services for families in Hawaii.

Your Committee has amended this measure by:

- (1) Appropriating the funds for the Hawaii Child Welfare Education Collaboration to the Department of Human Services instead of the University of Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1023, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1023, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 125 Human Services and Housing on S.B. No. 979

The purpose and intent of this measure is to establish a network of safe places where youth can access safety and obtain advice, guidance, programs, and services by:

- (1) Requiring the Department of Human Services to coordinate a five-year safe places for youth pilot program for youth who are at least 14 years old and under the age of 21;
- (2) Establishing the position of Safe Places for Youth Program Coordinator;
- (3) Establishing a framework to allow youth under the age of 18 to consent to receive services; and
- (4) Appropriating funds for the Safe Places for Youth Pilot Program Coordinator position and housing options for youth in crisis.

Your Committee received testimony in support of this measure from the Office of Youth Services, Hawaii Youth Services Network, Planned Parenthood of Hawaii, Hale Kipa, Hawaii Primary Care Association, Blueprint for Change, Family Programs Hawaii, and four individuals. Your Committee received testimony in opposition to this measure from fourteen individuals.

Your Committee finds that Hawaii's youth are not immune to daily threats to their health and safety. Youth run away from homes where abuse, neglect, and domestic violence are commonplace, and from schools where bullying becomes intolerable and a barrier to educational achievement. Without access to safe places, youth in these situations are vulnerable and may be victimized by predatory adults or turn to delinquent behaviors and become entangled with the juvenile justice system.

Your Committee further finds that at the 2012 Children and Youth Summit, youth expressed that one of their highest priorities is to address the lack of safe places where they can have fun and seek help without the fear of being harassed, bullied, pressured by other youth or adults, or arrested by law enforcement. The youth expressed interest in being able to access youth-specific guidance and services, including counseling for suicide prevention, teen pregnancy prevention, tobacco cessation, and alcohol and substance abuse support.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 979, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 979, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SRep. 126 Agriculture on S.B. No. 584

The purpose and intent of this measure is to provide additional funding needed for improvements to irrigation systems throughout the State.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Hawaii Cattlemen's Council, and Hawaii Farmers Union United. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that a reliable irrigation system is the lifeline of Hawaii's agricultural industry. To ensure that Hawaii's crops receive a steady and dependable supply of water, sufficient funding is needed to maintain and improve Hawaii's irrigation systems. Your Committee further finds that the Department of Agriculture and the Hawaii Farm Bureau have identified and proposed eleven irrigation projects throughout the State that are in need of capital improvements.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$4,150,000 for fiscal year 2015-2016;
- (2) Adding an authorization for issuance of general obligation bonds and appropriation of \$3,800,000 for fiscal year 2016-2017;
- (3) Adding an additional authorization for issuance of general obligation bonds and appropriation of \$12,935,000 for fiscal year 2015-2016;
- (4) Designating eleven irrigation projects and funding allocations for capital improvements; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 584, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 584, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SRep. 127 Agriculture on S.B. No. 1040

The purpose and intent of this measure is to require that all agricultural products sold at farmers' markets are displayed with a sign or label declaring the products' geographic origin.

Your Committee received comments on this measure from the Department of Agriculture and Hawaii Farm Bureau.

Your Committee finds that farmers' markets play an important role in Hawaii's communities by establishing and maintaining connections between consumers and local farms. Moreover, the consumption of locally produced agricultural products, when practicable, contributes significantly toward the goal set forth by the Hawaii 2050 Sustainability Plan to "increase production and consumption of local foods and products, particularly agricultural products." However, some outdoor markets purporting to be local farmers' markets sell imported agricultural products or agricultural products purchased from wholesalers. Furthermore, vendors are not required to disclose a product's geographic source of origin, thereby potentially misleading unassuming consumers.

Your Committee also finds that while it may be highly difficult for value-added products to contain all local ingredients because some ingredients cannot be sourced in Hawaii, consumers expect that all fresh produce sold at a local farmers' market is of local origin. Additionally, as raised in testimony, your Committee finds that the current definition of "geographic origin" in this measure may conflict with the federal Country of Origin Labeling (COOL) program requirements.

Accordingly, your Committee has amended this measure by:

- (1) Applying the labeling requirement only to fresh produce;
- (2) Amending the definition of "geographic origin" to only include the location where the fresh produce is grown; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1040, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 128 Agriculture on S.B. No. 1307

The purpose and intent of this measure is to provide tax relief for taxpayers engaged in kalo production.

Your Committee received testimony in support of this measure from Hawaii Farmers Union United Kona Chapter, Koolaupoko Hawaiian Civic Club, Hawaii Farmers Union United, Ai Pohaku, and thirty individuals. Your Committee received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that kalo is an important historical and cultural crop and a wonderful food source for the people of Hawaii. Kalo production has declined in recent decades, and many kalo farmers are struggling to remain in production. Your Committee finds that a tax benefit would help to increase kalo production.

Your Committee also finds that the provisions of this measure that exempt kalo products from general excise and use taxes may be unnecessary. As raised in testimony, the provisions may be impossible to enforce based on Constitutional issues and may grant only a de minimis benefit to taxpayers.

Accordingly, your Committee has amended this measure by:

- (1) Deleting section 2, thereby removing the general excise tax exemption for kalo products;
- (2) Deleting section 3, thereby removing the use tax exemption for kalo products; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1307, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1307, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 129 Agriculture on S.B. No. 380

The purpose and intent of this measure is to improve food security and self-sufficiency in the State by encouraging the development and implementation of a whole system approach to agriculture in Hawaii through the establishment of an on-farm mentoring program within the Department of Agriculture.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association, Hawaii Farmers Union United, and three individuals. Your Committee received comments on this measure from the Department of Agriculture and Hawaii Farm Bureau.

Your Committee finds that the development of a whole system approach to agriculture in Hawaii that pays close attention to soil health, specifically increasing mineral availability and improving soil structure, water-holding capacity, crop health, and food nutrition levels, will lower water usage through deployment of green manure, compost, and cover crops; reduce crop loss from pest damage; and decrease weed pressure. This whole system approach to agriculture can improve food security and benefit the local economy through reducing production costs by promoting locally sourced inputs and the manufacturing thereof. Teaching a new generation of farmers to use this whole system approach will create an alternative method of farming that appeals to many young farmers across the State. Your Committee finds that currently there is a shortage of qualified teachers for these farm methods; therefore an on-farm mentoring program will fulfill this need by bringing the students to the farm and providing qualified farm mentors with funding.

Your Committee also finds that consideration should be given to whether the Department of Agriculture's role should be amended from housing the on-farm mentoring program to overseeing current mentoring programs. As raised in testimony, Go Farms may be an alternative to the on-farm mentoring program; however, Go Farms requires participants to enroll in college courses and is not present on the islands of Maui and Hawaii. Your Committee finds that although Go Farms is a great program, it benefits a different farmer than those who might benefit from the on-farm mentoring program. Therefore, your Committee encourages the Department of Agriculture to consult with Go Farms and all other relevant resources in order to support the on-farm mentoring program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 380 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SCRep. 130 Government Operations on S.B. No. 830

The purpose and intent of this measure is to require the Department of Human Resources Development, Department of Education, University of Hawaii System, Hawaii Health Systems Corporation, and Judiciary to report annually to the Legislature regarding personnel vacancies that existed in the previous year.

Your Committee did not receive any testimony on this measure.

Your Committee finds that it is important for the Legislature to be aware of personnel vacancies in certain state departments and agencies in order to assist the Legislature in understanding staffing and funding concerns.

Your Committee has amended this measure by:

- (1) Inserting language to ensure that each report captures vacancies that existed in a twelve-month period; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 830, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 830, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 131 Government Operations on S.B. No. 360

The purpose and intent of this measure is to promote familiarity with and utilization of the metric system by requiring its eventual use on all state or county signs that express a measurement of distance or speed.

Your Committee received testimony in opposition to this measure from the Department of Transportation; Centerscale Automation Hawaii, Inc.; and one individual. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that most countries use the metric system of measurements. Although there are a number of hardships associated with displaying both the United States customary system and the metric system, it is important to post measurements through both systems to better communicate measurements to users of both systems of measurement.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 360 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 132 Government Operations on S.B. No. 435

The purpose and intent of this measure is to require all publicly funded landscaping projects to include a minimum percentage of Hawaiian plants, in order to contribute to a Hawaiian sense of place, reduce the use of non-native invasive plant species, and support the preservation of Hawaii's cultural and ecological heritage.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, Judiciary, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Uhane Pohaku Na Moku O Hawaii, Kuaaina Ulu Auamo, Hawaii Farmers Union United, The Nature Conservancy, Hawaii Alliance for Community-Based Economic Development, Hawaii Green Growth, Alii Pauahi Hawaiian Civic Club, Coordinating Group on Alien Pest Species, Island STAR, Big Island Plants, Hookipa Network-Kauai, and thirty individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and State Procurement Office.

Your Committee finds that the use of native Hawaiian plants promotes a Hawaiian sense of place and works to preserve Hawaii's cultural and ecological heritage. The use of Hawaiian plants in public landscaping will help to reverse the rapid decline of ecologically important species and other native life that may depend upon them. The increased use of Hawaiian plants will also drive demand for such plants, benefitting local Hawaiian plant growers. For these reasons, it is important that the State make the use of Hawaiian plants in public landscaping a priority.

Your Committee has amended this measure by:

- (1) Deleting language that referenced the Hawai'i-Pacific weed risk assessment system;
- (2) Deleting language that provided exclusions from the total plant footprint for the purposes of calculating the required minimum percentages of the total plant footprint;
- (3) Deleting language that exempted landscaping associated with significant historical properties;
- (4) Inserting language to allow the head of the purchasing agency to determine exceptions to the required use of Hawaiian plants using procedures, standards, or guidelines established by the Procurement Policy Board; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 435, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 435, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 133 (Joint) Energy and Environment and Water and Land and Agriculture on S.B. No. 1046

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Department of Land and Natural Resources to support invasive species prevention, control, research, outreach, and planning;
- (2) Appropriate funds to the Department of Agriculture to prevent the introduction of new pests to the State and to prevent the spread of pests between the islands; and
- (3) Appropriate funds to the Legislative Reference Bureau and require the Legislative Reference Bureau to update the economic and environmental components of its 2002 study on invasive species.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Coordinating Group on Alien Pest Species, Oahu Invasive Species Committee, Maui Invasive Species Committee, University of Hawaii, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Nature Conservancy, Hawaii Green Growth, Hanalei Watershed Hui, Conservation Council for Hawaii, Hawaii Farmers Union United, Malama O Puna, and twenty-eight individuals. Your Committees received testimony in opposition to this measure from the State Procurement Office. Your Committees received comments on this measure from the Legislative Reference Bureau.

Your Committees find that the invasion of insects, disease-bearing organisms, snakes, weeds, and other pests is a major threat to the State's economy, natural environment, and health. A continued commitment to having the best possible understanding, science, plans, and capacity is necessary to maintain and enhance invasive species prevention and mitigation in Hawaii to effectively protect the State's natural resources and economy and the health and lifestyle of its people.

Your Committees have amended this measure by:

- (1) Limiting the Legislative Reference Bureau's required updates of its 2002 study on invasive species to the economic and other costs and health and safety components of the 2002 study; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Water and Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1046, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1046, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 134 Energy and Environment on S.B. No. 1227

The purpose and intent of this measure is to:

- (1) Prohibit generators of commercial organic material from disposing of, incinerating, or transferring solid waste to landfills, waste-to-energy facilities; and
- (2) Require all generators of commercial organic material to use alternative means of disposal.

Your Committee received testimony in support of this measure from Maui EKO Systems, Zero Waste Kauai, and five individuals. Your Committee received testimony in opposition to this measure from the Department of Health. Your Committee received comments on this measure from Pacific Biodiesel Technologies, Hawaii Food Industry Association, and Animal Rights Hawaii.

Your Committee finds that waste disposal is an issue of critical importance throughout the State. Even with current statewide policies, recycling efforts reduce only a fraction of the solid and liquid waste generated. Landfills are approaching or have already reached their maximum capacity, and the expansion of current landfills and relocation efforts are meeting widespread community opposition. The implementation of this measure will reduce the amount of waste entering the State's landfills and encourage alternative means of disposal.

Your Committee has amended this measure by:

- (1) Eliminating the prohibition on the transfer of solid waste to landfills, waste-to-energy facilities, or by incineration, in the State;
- (2) Replacing "solid waste" with commercial organic waste in section 342G- (a), Hawaii Revised Statutes;
- (3) Expanding means of disposal or transfer of waste to include biofuel production and thermal combustion of organic materials;
- (4) Amending section 1 to reflect the amended purpose of this measure;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1227, as amended herein, and recommends that it pass Second

Reading in the form attached hereto as S.B. No. 1227, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 135 Energy and Environment on S.B. No. 1272

The purpose and intent of this measure is to establish a temporary income tax credit for the cost of converting a cesspool to a septic system or an aerobic treatment unit system or connecting a cesspool to a sewer system.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Farm Bureau, The Nature Conservancy, and Hawaii Association of REALTORS. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Land Use Research Foundation of Hawaii.

Your Committee finds that contamination from cesspools poses a risk to the water quality in ocean water, surface water, and groundwater. Converting cesspools to septic systems or aerobic treatment unit systems or connecting cesspools to sewer systems will protect the quality of the State's nearshore waters and drinking water supplies. However, there are significant costs associated with cesspool conversion. Implementation of this measure will ease the financial burden associated with cesspool conversions and incentivize cesspool owners to convert their cesspool systems.

Your Committee has amended this measure by:

- (1) Requiring a taxpayer, to be eligible for a cesspool conversion tax credit, to obtain verification from the county agency responsible for issuing installation permits and approval from that county agency that the installation meets the requirements for the cesspool conversion tax credit;
- (2) Authorizing the Director of Taxation to require evidence of county verification and approval from a taxpayer to ascertain the validity of the claim for a cesspool conversion tax credit; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1272, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1272, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 136 (Joint) Energy and Environment and Agriculture on S.B. No. 359

The purpose and intent of this measure is to:

- (1) Increase the amount of the environmental response, energy, and food security tax collections to be deposited into the environmental response revolving fund, energy security special fund, and agricultural development and food security special fund; and
- (2) Make permanent the renaming of the environmental response tax to the environmental response, energy, and food security tax; the establishment of the agricultural development and food security special fund; amendments to the environmental response revolving fund and energy security special fund; and allocations of the environmental response, energy, and food security tax to the environmental response revolving fund, energy security special fund, energy systems development special fund, and agricultural development and food security special fund.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Health, University of Hawaii - Hawaii Natural Energy Institute, Board of Water Supply, Hawaii Farm Bureau, Renewable Energy Action Coalition of Hawaii, Ulupono Initiative, Nature Conservancy, and Blue Planet Foundation. Your Committees received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.

Your Committees find that the State is precariously dependent on imported food and energy. The environmental response, energy, and food security tax, also known as the barrel tax, is a vital revenue source that supports critical investments and initiatives in clean energy, local agricultural production, and environmental response. The implementation of this measure will reduce the State's dependence on imported fossil fuels and further the State's goals of food and energy self-reliance.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 359 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 137 (Joint) Energy and Environment and Agriculture on S.B. No. 583

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture to research and develop methods for the prevention and treatment of macadamia felted coccid.

Your Committees received testimony in support of this measure from the Department of Agriculture; University of Hawaii; Hawaii Farmers Union United; Maui County Farm Bureau; Hawaii Farmers Union United, Kona Chapter; Hawaii Farm Bureau; Land Use Research Foundation of Hawaii; Hawaii Macadamia Nut Association; and twenty individuals. Your Committees received comments on this measure from Royal Hawaiian Orchards.

Your Committees find that macadamia nuts are among the top five grossing agricultural commodities in Hawaii. The State harvested an estimated forty-four million pounds in macadamia nut crop for the 2012-2013 crop year. The estimated farm value of macadamia nuts for that same year is \$35,200,000. In March 2005, the macadamia felted coccid was discovered on macadamia nut trees in south Kona, and infestations of macadamia felted coccid have now spread from south Kona to as far north as Honokaa. This insect can cause severe damage to macadamia nut trees when uncontrolled, and the macadamia felted coccid will continue to spread to other regions and counties of Hawaii if uncontrolled and devastate the macadamia nut industry. The implementation of this measure will assist in combating this insidious pest and protecting the health of the macadamia nut industry that is vital to the State.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 583 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 138 Energy and Environment on S.B. No. 1169

The purpose and intent of this measure is to:

- (1) Create a working group to review and discuss the findings and recommendations contained in the 2014 audit report of the Department of Health's glass advance disposal fee program; and
- (2) Require the working group to submit a written report to the Legislature prior to the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Wine Institute, Hawaii Food Industry Association, and Hawaii Liquor Wholesalers Association. Your Committee received testimony in opposition to this measure from the Department of Health. Your Committee received comments on this measure from the Office of the Auditor.

Your Committee finds that the findings and recommendations contained in the December 2014 audit report of the Department of Health's glass advance disposal fee program (Report No. 14-16) and the December 2014 study to identify local alternatives to shipping non-deposit glass out of the State (Report No. 14-17) can provide valuable guidance regarding the glass advance disposal fee program and non-deposit glass recycling. The implementation of this measure will facilitate discussion on how to effectively, economically, and efficiently handle glass recycling in the State.

Your Committee has amended this measure by:

- (1) Amending the composition of the working group by removing the State Auditor and adding one representative from Hawaii's food and beverage industry, one representative with non-deposit glass importation experience, and one representative with glass recycling experience;
- (2) Amending the duties of the working group to include developing solutions to address the findings and recommendations contained in the December 2014 study to identify local alternatives to shipping non-deposit glass out of the State (Report No. 14-17) and considering any other issues the working group deems appropriate, based on the findings and recommendations contained in the study; and
- (3) Amending the purpose section accordingly.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1169, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1169, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 139 Commerce and Consumer Protection on S.B. No. 40

The purpose and intent of this measure is to amend the law relating to licensing.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language which establishes the behavior analyst program within the Department of Commerce and Consumer Affairs and establishes licensing requirements for behavior analysts and assistant behavior analysts.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 40, as amended herein, and recommends that it be recommitted to the Committee on Commerce and Consumer Protection, in the form attached hereto as S.B. No. 40, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kidani, Nishihara, Slom).

SCRep. 140 Education on S.B. No. 849

The purpose and intent of this measure is to provide funding for public charter schools facilities.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii Public Charter Schools Network, Malama Honua Charter School, Kamehameha Schools, Hawaii State Teachers Association, and four individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of the Attorney General and the Department of Budget and Finance.

Your Committee finds that operational costs of facilities is one of the greatest challenges facing public charter schools in Hawaii. Operational funds have proven insufficient to cover all the costs associated with facilities acquisition, repair, and maintenance in addition to operational costs. Additional funding is needed to help meet the needs of start-up charter schools.

Your Committee has amended this measure by:

- (1) Adopting amendments proposed by the Department of the Attorney General to remove:
 - (A) Language authorizing the allocation of general obligation bonds irrespective of whether a specific project or purpose has been provided for in a legislative act; and
 - (B) Language requiring that monies appropriated for capital improvements for facilities for public charter schools be considered expended upon distribution to the State Public Charter School Commission;
- (2) Clarifying that the charter school facilities working group's role is in an advisory capacity; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 849, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 849, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 141 Education on S.B. No. 1056

The purpose and intent of this measure is to attract qualified teachers to teach in schools in high need areas by establishing an incentive program that provides incremental loan repayment for teachers serving in high need areas of Hawaii for up to ten years and a scholarship grant program for individuals in graduate education programs who commit to teach in a high need area of Hawaii.

Your Committee received testimony in support of this measure from the Department of Education and Hawaii State Teachers Association.

Your Committee finds that it is particularly difficult to recruit and retain teachers to staff schools in high need areas. Due to the long term nature of student loans, the loan repayment program may attract a wide range of educators, from brand new graduates to teachers with several years of experience. The scholarship grant program may attract individuals new to the field of education, but may also attract seasoned teachers who have dreamed of pursuing an advanced degree, but felt that the financial burden put it out of reach. These incentives will staff high need schools with skilled and committed teachers.

Your Committee has amended this measure by:

- (1) Changing the scholarship grant amount from an amount up to \$5,000 to an amount up to fifty percent of tuition costs;
- (2) Removing the requirement for annual reports to be published by September 1, 2016, and every year thereafter; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1056, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1056, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 142 Education on S.B. No. 1278

The purpose and intent of this measure is to appropriate funds to the Board of Education to establish and maintain makerspaces and for the equipment, materials, and personnel necessary for the operation of makerspaces in public libraries statewide.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System, Hawaii Tech Exchange, and twelve individuals.

Your Committee finds that Hawaii's public libraries are community gathering places where learning happens, ideas are shared, and concepts are developed. Makerspaces fit within Hawaii's libraries as places where users can fabricate their designs and bring their concepts to life.

Your Committee further finds that the makerspace concept may inspire students to take an interest and gain confidence in the areas of science, technology, engineering, and mathematics which are all areas with vast opportunities for growth. The makerspace may create opportunities to bring together engineering and technology experts to work with students and provide hands on learning experiences in the community. Not only would the experience itself be valuable, but the possibilities for mentorship and networking could be equally important.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1278 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 143 Education on S.B. No. 821

The purpose and intent of this measure is to authorize a state income tax credit for certain expenses paid or incurred by school teachers, special education teachers, school librarians, and counselors for supplementary materials used in the classroom.

Your Committee received testimony in support of this measure from the Department of Education and IMUAlliance. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that public school teachers often spend substantial sums of their own income purchasing supplementary supplies and instructional materials for their classrooms. Whether purchasing art supplies, books, or supplies for students who come to school without any, school teachers make ends meet in their classrooms using their own resources. Establishing a tax credit for these expenses helps compensate teachers for the expenditures they make for the benefit of their classrooms and students.

Your Committee has amended this measure by changing the date for which the tax credit applies from taxable years beginning after December 31, 2014, to taxable years beginning after December 31, 2015.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 821, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 821, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 144 (Joint) Water and Land and Agriculture and Hawaiian Affairs on S.B. No. 774

The purpose and intent of this measure is to improve the protections for wetland taro lands (lo'i kalo) and traditional taro lands that retain historic structural evidence of lo'i kalo on undeveloped state-owned or -acquired conservation lands for Hawaii's long-term food security and well-being by:

- (1) Creating a classification of agricultural public lands entitled "taro lands"; and
- (2) Making an appropriation to the Board of Land and Natural Resources to create an inventory of lands classified as taro lands.

Your Committees received testimony in support of this measure from the Taro Security and Purity Task Force; Association of Hawaiian Civic Clubs; 'Ai Pohaku; E Kupaku Ka Aina; Hawaii Farmers Union United; Ho'okipa Network – Kauai; Hydroponics Alternatives LLC; Kipahulu Ohana, Inc.; Lyon Arboretum; PAN of North America; Hawaiian Land Restoration Institute; Koolau Hawaiian Civic Club; Aha Moku Advisory Committee; and eighteen individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources; Department of Agriculture; Voyaging Foods; and one individual.

This measure is a product of the Taro Security and Purity Task Force, established by Act 211, Session Laws of Hawaii 2008, to guide policy and research related to taro and taro farming, as well as to support the vitality, economic viability, and perpetuation of taro and taro farming in the State.

Your Committees find that access to affordable taro lands remains a major challenge for young taro growers striving for success, greater family food self-sufficiency, and community well-being. In 2009, the Taro Security and Purity Task Force found "no logical reason why we should continue to import any type of taro to meet local needs" and provided a series of recommendations for improving taro and taro farmer success.

In its 2010 and 2014 reports to the Legislature, the Taro Security and Purity Task Force recommended greater protections for wetland taro lands (lo'i), including their structural elements, such as terraces, kuauna or paepae pohaku (stone walls), and 'auwai (irrigation ditches) within the boundaries of the State's public conservation districts to help meet food security needs and to support community and cultural resilience in the face of the rising costs of imported food for local families. The Task Force also found that these key agricultural structures for wetland taro production are frequently destroyed, severed, and built upon due to gaps in land use designations, historic preservation records, planning, laws, and agency policies, making the need for improved taro land protections more urgent.

Your Committees further find that there is a compelling interest in preserving wetland taro lands and their supporting structures on public conservation lands under the jurisdiction of the Department of Land and Natural Resources for these purposes.

Your Committees note that two questions were raised during the hearing: whether to apply this measure to lands other than the conservation district and whether this measure should include dryland taro, as that species can be grown in a variety of areas, whereas wetland taro requires specific soils and conditions. Your Committees note that the Taro Security and Purity Task Force recommended that the focus be on conservation district lands rather than agricultural lands, and further recommended that this measure focus on preserving the fewer, more specific areas required for wetland taro cultivation.

As affirmed by the records of votes of the members of your Committees on Water and Land, Agriculture, and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 774 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 7. Noes, none. Excused, none.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 145 Water and Land on S.B. No. 545

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources for:

- (1) Watershed management projects;
- (2) Fire, natural disaster, and emergency response equipment; and
- (3) Forest and outdoor recreation improvements.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Oahu Invasive Species Committee; Big Island Invasive Species Committee; Department of Water, Kauai County; Coordinating Group on Alien Pest Species; The Nature Conservancy; Nu'u Mauka Ranch; Hawai'i Green Growth; Conservation Council for Hawai'i; Princeville Utilities Company, Inc.; Hi'ipaka LLC; Kaupō Ranch; Grove Farm Company; Lihue Land Company; Haleakalā Ranch; Ulupalakua Ranch; McBryde Sugar Company, LLC; The Kauai Watershed Alliance; Leeward Haleakalā Watershed Restoration Partnership; Ben Dyre Family Limited Partnership; Leeward Haleakalā Watershed Restoration Partnership; and fifteen individuals. Your Committee received testimony in opposition to this measure from The Society for Hawaii Heritage Animals and Hawaii Hunting Association.

Your Committee finds that forests help to increase resilience to drought conditions and natural disasters. The islands have experienced decades of reduced rainfall, changes in trade wind patterns, and higher temperatures. The quality, quantity, and sustainability of Hawaii's water supply depends upon healthy forested watersheds. Protecting forested watersheds is one of the Department of Land and Natural Resources' top priorities and an ongoing effort. With climate change accelerating a long-term decline in rainfall, forest protection has never been more urgent.

Your Committee further finds that additional resources are necessary for emergency response and preparedness for natural disasters. Events such as flooding, hurricanes, and wildfires are expected to increase in frequency and severity as climate change accelerates.

The Department of Land and Natural Resources, Division of Forestry and Wildlife is responsible for wildfire preparedness and response as well as assisting federal, state, and county agencies in emergencies and natural disasters. Hawaii's responders need access to new technologies to increase efficiency and effectiveness of detection and response to these types of natural disasters that affect natural environments as well as public safety.

Your Committee further finds that outdoor recreation, including use of trails and beaches, is central to Hawaii's visitor industry and valuable to Hawaii's residents. Statewide improvements are needed to address deteriorating conditions on trails, particularly high-use trails frequented by visitors. Development, particularly in rural areas, can restrict access to public lands for hiking, gathering, and hunting. Infrastructure improvements are necessary to improve access to allow people to connect with Hawaii's natural environment.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 545 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 146 Water and Land on S.B. No. 629

The purpose and intent of this measure is to:

- (1) Establish a four-year irrigation water conservation best management practices pilot program, under which the Department of Accounting and General Services shall implement irrigation water conservation best management practices as established by the Landscape Industry Council of Hawaii;
- (2) Require the Department of Accounting and General Services to report to the Legislature regarding the pilot program; and
- (3) Make an appropriation to the Department of Accounting and General Services for the implementation of the pilot program.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services. Your Committee received comments from Irrigation Hawaii Limited.

Your Committee finds that the pilot program under this measure will assist the State with water conservation and improve the efficiency of landscape irrigation installments at state facilities through low cost, practical measures.

Your Committee further finds that the best management practices established by the Landscape Industry Council of Hawaii were developed in close consultation with landscape professionals across the State and are recognized nationally as landscape industry

standards. Your Committee believes that by implementing best management practices, this measure will help reduce wasted drinking water, reduce run-off, and optimize plant health by applying the correct amount of water.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 629 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 147 (Joint) Energy and Environment and Agriculture on S.B. No. 358

The purpose and intent of this measure is to:

- (1) Increase the amount of the environmental response, energy, and food security tax collections to be deposited into the environmental response revolving fund, energy security special fund, and agricultural development and food security special fund; and
- (2) Apply the environmental response, energy, and food security tax to all fossil fuels.

Your Committees received testimony in support of this measure from the Department of Health, Department of Agriculture, Hawaii Natural Energy Institute, Board of Water Supply, Hawaii Farm Bureau, Renewable Energy Action Coalition of Hawaii, Ulupono Initiative, Nature Conservancy, and Blue Planet Foundation. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; Tax Foundation of Hawaii; and Alexander & Baldwin, Inc.

Your Committees find that the State is precariously dependent on imported food and energy. The environmental response, energy, and food security tax, also known as the barrel tax, is a vital revenue source that supports critical investments and initiatives in clean energy, local agricultural production, and environmental response. The implementation of this measure will reduce the State's dependence on imported fossil fuels and further the State's goal of self-reliance.

Your Committees have amended this measure by:

- (1) Amending the definition of "distributor" by replacing "liquid fuel" with "fossil fuel";
- (2) Increasing the environmental response, energy, and food security tax to 17.5 cents per one thousand cubic feet or fractional part of a thousand cubic feet of natural gas or other gaseous fossil fuel and \$3.40 per short ton or fractional part of a short ton of coal or other solid fossil fuel;
- (3) Amending the environmental response, energy, and food security tax collected and deposited into the designated special and revolving funds to apply to units rather than barrels;
- (4) Amending the allocations of the environmental response, energy, and food security tax collected into the designated special and revolving funds to percentages, rather than fixed amounts, of the tax per unit;
- (5) Clarifying that if fossil fuel is distributed and resold one or more times, the initial distributor of the fossil fuel shall pay the environmental response, energy, and food security tax; and
- (6) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 358, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 358, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 148 Education on S.B. No. 1098

The purpose and intent of this measure is to make amendments to the Hawaii Revised Statutes to accurately reflect long-standing Board of Education and Hawaii State Public Library System practice.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System.

Your Committee finds that, although chapter 312, Hawaii Revised Statutes, assigns various duties and responsibilities regarding state public libraries to the Board of Education, in practice, the State Librarian has carried out those duties and responsibilities. It is appropriate to amend statute to accurately place library-related duties within the purview of the State Librarian.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1098, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1098, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Nishihara).

SCRep. 149 Commerce and Consumer Protection on Gov. Msg. No. 506

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

G.M. No. 506 CATHERINE AWAKUNI COLON, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Catherine Awakuni Colón to possess the requisite qualifications to be nominated as the Director of Commerce and Consumer Affairs.

Your Committee received testimony in support of the nomination of Catherine Awakuni Colón from the Office of the Governor; Department of Transportation; Young Brothers, Limited; Hawaiian Telcom; Building Industry Association of Hawaii; Hawaii Pest Control Association; Locations LLC; Kaua'i Island Utility Cooperative; 'Ōlelo Community Media; Hō'ike Kaua'i Community Television, Inc.; Akakū Maui Community Media; and twenty-five individuals.

Upon review of the testimony, your Committee finds that Ms. Awakuni Colón's background, experience, and commitment to public service qualify her for appointment as the Director of Commerce and Consumer Affairs. Your Committee notes that for the last thirteen years, Ms. Awakuni Colón has served in various government roles affecting the area of commerce and consumer affairs. Ms. Awakuni Colón was a staff attorney for the Public Utilities Commission for over four years and later served more than two years as Chief Legal Counsel for the Commission. Through her work at the Public Utilities Commission, Ms. Awakuni Colón gained a thorough understanding of the regulatory process and complex energy issues faced by the Commission and the effect regulation and competition have on businesses and consumers.

Your Committee further finds that Ms. Awakuni Colón previously served as the Executive Director for the Division of Consumer Advocacy in the Department of Commerce and Consumer Affairs. In her role as Consumer Advocate, Ms. Awakuni Colón represented Hawaii consumers on a number of rapidly evolving regulatory issues in matters before the Public Utilities Commission and other agencies. Ms. Awakuni Colón also negotiated and executed the Hawaii Clean Energy Initiative, which has served as the foundation for the State's long-term efforts to reach energy independence.

Most recently, Ms. Awakuni Colón served as the Administrator of the Cable Television Division within the Department of Commerce and Consumer Affairs. In that role, Ms. Awakuni Colón and the Division partnered with public and private agencies to expedite broadband development and began work on a master plan for statewide Institutional Network development. Ms. Awakuni Colón's prior experience as the Consumer Advocate and Cable Television Division Administrator have enabled her to gain an intimate understanding of the operations of the Department of Commerce and Consumer Affairs and the Department's mission. Furthermore, Ms. Awakuni Colón's familiarity with the Public Utilities Commission has given her insight into the unique needs of the Commission. This will enable her to better support the Public Utilities Commission once the Commission's transition from the Department of Budget and Finance to the Department of Commerce and Consumer Affairs is complete during the summer of 2015.

Your Committee notes that Ms. Awakuni Colón's familiarity with the Department of Commerce and Consumer Affairs; the Department's diverse jurisdictional purview, administrative requirements, funding mechanisms; and the legislative process make her exceptionally prepared to serve as Director of the Department of Commerce and Consumer Affairs. Accordingly, your Committee recommends that Ms. Awakuni Colón be appointed as Director of Commerce and Consumer Affairs based on her extensive knowledge, background, and dedication to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 150 (Majority) Health on S.B. No. 1036

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Department of Health to improve the treatment of substance abuse and co-occurring mental health disorders by establishing a comprehensive and coordinated continuum of treatment services; and
- (2) Establish within the Department of Health a task force for addressing health care and payment reform to improve substance use disorder and co-occurring disorder treatment.

Your Committee received testimony in support of this measure from the Hawaii Substance Abuse Coalition, The Drug Policy Forum of Hawaii, Salvation Army Addiction Treatment Services and Family Treatment Services, Kū Aloha Ola Mau, CHOW Project, New Horizons, Action with Aloha, and seven individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that studies indicate that a small percentage of patients in the United States consume a disproportionate share of health care resources. Known as "super users", this one percent of the population consumes twenty-one percent of the nearly \$1,300,000,000,000 spent each year on health care nationwide, according to a 2013 report from the Agency for Healthcare Research and Quality. In Hawaii, it has been reported that about five percent of the Medicaid population accounts for about forty-nine percent of the State's annual health care costs. Considering the 2015 MedQuest budget, this means about 16,000 people on MedQuest cost over \$1,000,000,000.

Your Committee further finds that many super users do not have a regular physician, so whenever medical care is necessary they turn to the community hospital, which is often the most expensive and least efficient type of care for their needs. While the costly cycle of substance abuse is currently a financial burden on the State's health care system, it is also a treatable disease worthy of more attention and resources. Recent discoveries in the science of addiction have led to significant advances in drug abuse treatment that help people successfully manage their addiction and resume productive lives. Research shows that about seventy percent of addiction and mental health costs can be averted by effectively providing relevant treatment before the onset of more serious chronic conditions.

Furthermore, your Committee finds that according to 2004 data, about 84,000, or ten percent, of adults in the State need basic services for substance abuse. It is estimated that basic services for substance abuse average about \$4,000 per client, which totals \$336,000,000 in costs that is needed for the State to fund substance abuse services.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount to \$336,000,000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1036, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1036, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard, Riviere). Noes, 1 (Slom). Excused, 1 (Baker).

SCRep. 151 (Joint) Water and Land and Energy and Environment on S.B. No. 544

The purpose and intent of this measure is to authorize appropriations for watershed management; invasive species prevention, control, outreach, research, and planning; equipment for fire, natural disaster, and emergency response; and forest and outdoor recreation improvements.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Office of Environmental Quality Control; Hawaii Farm Bureau; Land Use Research Foundation of Hawaii; Hawai'i Green Growth; Conservation Council for Hawai'i; The Nature Conservancy; Oahu Invasive Species Committee; Maui Invasive Species Committee; Big Island Invasive Species Committee; and six individuals.

Your Committees find that the Governor, Mayors of all the Counties, and the Chair of the Board of Trustees of the Office of Hawaiian Affairs have expressed their interest in accepting the Aloha+ Challenge. This measure provides funding to implement the natural resource management goals as stated in this measure. These items are essential to meet the Aloha+ Challenge and to keep Hawaii unique, improve the quality of life, health, and safety for Hawaii's residents and visitors, and maintain Hawaii's economy.

As affirmed by the records of votes of the members of your Committees on Water and Land and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 544 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 152 (Joint) Water and Land and Energy and Environment on S.B. No. 1165

The purpose and intent of this measure is to:

- (1) Establish the Hawaiian Islands Humpback Whale National Marine Sanctuary program within the Department of Land and Natural Resources;
- (2) Establish the Papahānaumokuākea Marine National Monument program within the Department of Land and Natural Resources;
- (3) Establish the co-managed marine area special fund within the state treasury; and
- (4) Appropriate funds to the co-managed marine area special fund to initially support the programs to provide sufficient time for monies to be deposited into the special fund for the administration and management of the programs.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Office of Environmental Quality Control; Office of Planning; Hawaii Pacific University Marine Mammal Stranding Program; Malama Maunaloa; Ocean Tourism Coalition; Marine Management Solutions LLC; Kua'aina Ulu 'Auamo; Hawaii National Marine Sanctuary Foundation; Hanalei Watershed Hui; Conservation Council for Hawai'i; The Nature Conservancy; Hawaiian National Communications Corporation; Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve Advisory Council; and sixteen individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that the State has historically relied on the federal government to pay for state personnel performing duties relating to the State's co-management of the Hawaiian Islands Humpback Whale National Marine Sanctuary and the Papahānaumokuākea Marine National Monument. This situation has created a perception that a conflict of interest may prevent the federally funded state co-managers from adequately representing the interests of the State. Furthermore, for the past several years the

federal government has reduced funding for the state co-manager positions, and federal funding will be eliminated for the upcoming fiscal year.

Your Committees have amended this measure by clarifying the definition of “sanctuary program” to mean the state program that manages the sanctuary.

As affirmed by the records of votes of the members of your Committees on Water and Land and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1165, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1165, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Sлом).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

SCRep. 153 (Joint/Majority) Government Operations and Judiciary and Labor on S.B. No. 728

The purpose and intent of this measure is to encourage improvements in pay equity between men and women by:

- (1) Prohibiting public contractors from retaliating against employees for inquiring about, discussing, or disclosing wage information; and
- (2) Requiring public contractors and subcontractors who are awarded certain contracts to pay men and women equally for similar work and to report wages paid to employees by gender.

Your Committees received testimony in support of this measure from the Hawaii Civil Rights Commission. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services. Your Committees received comments on this measure from the Chamber of Commerce Hawaii and General Contractors Association of Hawaii.

Your Committees find that this measure creates a mode of enforcing law against discriminatory wage practices under certain public contracts. This measure is similar to the federal model implemented to combat wage discrimination under federal government contracts. The reporting requirements coupled with sanctions available under this measure will work to ensure pay equality under public contracts subject to this measure.

Your Committees have amended this measure by:

- (1) Removing language that provides an exception from mandated equal pay for similar work where such payment is made pursuant to a differential based on any factor other than gender; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 728, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 728, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, 1 (Sлом). Excused, 1 (Tokuda).

Judiciary and Labor

Ayes, 4. Noes, 2 (Thielen, Sлом). Excused, 1 (Gabbard).

SCRep. 154 Education on S.B. No. 984

The purpose and intent of this measure is to reestablish an interagency working group based on Act 51, Session Laws of Hawaii 2004, with the overall goal of ensuring a standard level of service statewide.

Your Committee received testimony in support of this measure from the Department of Education and IMUAlliance. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services and one individual.

Your Committee finds that revisiting the requirements of Act 51, Session Laws of Hawaii 2004, is necessary to work out solutions to a backlog of facilities repair and maintenance concerns in neighbor island schools. Resources and geography make servicing neighbor island schools unique, but the Department of Education and Department of Accounting and General Services agree that dialogue is necessary to evaluate the outcomes of the Act 51 transfer of resources, identify current issues, and develop solutions.

Your Committee has amended this measure by:

- (1) Removing the requirement that the interagency working group submit a report in 2017; and
- (2) Changing the date the interagency working group will dissolve from June 30, 2017, to June 30, 2016.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 984, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 984, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Nishihara).

SCRep. 155 Education on S.B. No. 1215

The purpose and intent of this measure is to create a charter schools food service special fund and appropriate funds to meet the food service needs of the State's public charter schools.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii Public Charter Schools Network, Kamehameha Schools, and the Hawaii State Teachers Association. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Budget and Finance and Department of the Attorney General.

Your Committee finds that operational costs for facilities is one of the greatest challenges facing Hawaii public charter schools. Food service facilities, in particular, are lacking in many public charter schools. Additional support is necessary to develop adequate food service facilities to deliver school meals to public charter school students.

Your Committee has amended this measure by:

- (1) Adopting amendments proposed by the Department of the Attorney General to remove:
 - (A) Language authorizing the allocation of general obligation bonds irrespective of whether a specific project or purpose has been provided for in a legislative act;
 - (B) Language requiring that monies appropriated for capital improvements for facilities for public charter schools be considered expended upon deposit into the charter schools food service special fund; and
 - (C) Language requiring the deposit of proceeds of any general obligation bonds to be deposited into the food service special fund;
- (2) Allowing, rather than mandating, the State Public Charter School Commission to allocate funds based on the working group's recommendations and clarifying that the working group's role is advisory; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1215, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1215, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 156 (Joint) Human Services and Housing and Health on S.B. No. 964

The purpose and intent of this measure is to:

- (1) Appropriate funds for the kupuna care program and the aging and disability resource center;
- (2) Remove the requirement that the Alzheimer's Disease and Related Dementia Services Coordinator be appointed in accordance with chapters 76 and 89, Hawaii Revised Statutes, and appropriate funds for the Coordinator position;
- (3) Appropriate funds for elderly fall prevention and early detection services;
- (4) Appropriate funds for various senior centers so that kupuna can participate in activities to help them remain active, healthy, and independent in their community;
- (5) Appropriate funds to support the healthy aging partnership program; and
- (6) Establish and appropriate funds for an Alzheimer's Disease and Related Dementia Public Awareness Campaign.

Your Committees received testimony in support of this measure from the Executive Office on Aging, State Council on Developmental Disabilities, Department of Community Services, Maui County Office on Aging, Agency on Elderly Affairs, AARP Hawaii, Caring Transitions of Honolulu, Catholic Charities Hawaii, Hawaii Family Caregiver Coalition, Healthcare Association of Hawaii, Kaiser Permanente, Moiliili Community Center, Project Dana, The Queen's Health Systems, Zonta Club of Hilo, Prime Care Services Hawaii, Alzheimer's Association Aloha Chapter, International Longshore and Warehouse Union Local 142 Hawaii, PHOCUSED, Hawaii Primary Care Association, and thirty individuals.

Your Committees find that it is imperative that the State prioritize the health and well-being of Hawaii's kupuna and demonstrate significant efforts to support their needs. Census projections indicate that Hawaii's senior population will almost double between 2010 and 2020, with the highest percentage increase occurring in kupuna over the age of 85. To support the State's elderly population and minimize the potential financial strain of the aging population on the State, proactive efforts including education on fall prevention and Alzheimer's disease and dementia services, funding senior centers, and supporting the aging and disability resource center are necessary.

Your Committees have amended this measure by:

- (1) Changing the appropriation amount for the kupuna care program from \$5,100,000 to \$4,145,696;
- (2) Changing the appropriation amount for the aging and disability resource center from \$1,710,000 for fiscal year 2015-2016 and \$1,651,300 for fiscal year 2016-2017 to \$1,052,600 for each fiscal year; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 964, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 964, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

SCRep. 157 Judiciary and Labor on S.B. No. 472

The purpose and intent of this measure is to:

- (1) Transfer the Office of Information Practices as an administratively attached agency of the Office of the Lieutenant Governor to the Department of Accounting and General Services;
- (2) Exempt the Office of Information Practices from certain laws requiring oversight by the Comptroller over the office, as an administratively attached agency, and authorize the Office of Information Practices to make direct communications with the Governor and Legislature and make all decisions regarding employment and purchase all supplies, equipment, and furniture without the approval of the Comptroller;
- (3) Clarify the employment status of attorneys employed by the Office of Information Practices and the civil service exemption for Office of Information Practices personnel; and
- (4) Appropriate an unspecified sum to the Department of Accounting and General Services for two additional positions to provide administrative support for the Office of Information Practices and other agencies administratively attached to the Department.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Office of Information Practices, Common Cause Hawaii, Animal Rights Hawaii, and two individuals. Your Committee received comments on this measure from the Department of Accounting and General Services and Department of Human Resources Development.

Your Committee finds that existing law administratively attaches the Office of Information Practices to the Office of the Lieutenant Governor as a temporary office for a special purpose. This measure recognizes the Office of Information Practices as a permanent office by administratively attaching the Office to the Department of Accounting and General Services, thereby better complying with the constitutional requirement for permanent offices to be housed in one of the principal executive branch departments.

Your Committee notes and concurs with the supplemental oral testimony from the Office of Information Practices that in the event that this measure becomes law, the Comptroller should also not have the power to supervise or control the Office of Information Practices in the exercise of its functions, duties, and powers pursuant to section 26-35(a)(8), Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Deleting the exemptions that would allow the Office of Information Practices to make all decisions regarding employment and purchase all supplies, equipment, and furniture without the approval of the Comptroller;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 472, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 472, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 158 Judiciary and Labor on S.B. No. 364

The purpose and intent of this measure is to:

- (1) Establish a process for the recounting of ballots in an election that is decided by less than one thousand votes or one-half of one percent of all votes cast for the office, whichever is less; and
- (2) Repeal overages and underages and include other unlawful activity and force majeure as a basis for a contest for cause complaint that challenges an election result.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Office of Elections.

Your Committee finds that existing law allows a complaint to be filed in the Hawaii Supreme Court to challenge an election result for cause. The complaint is required to set forth any cause, including but not limited to provable fraud, or overages or underages that

could cause a difference in the election results. This measure establishes a separate process for the recounting of ballots in the event of a close election result that requires the petitioning candidate to file a petition for a recount with the appropriate elections officer and have the petitioning candidate bear the cost of the recount depending upon the result of the recount.

Your Committee has amended this measure by:

- (1) Adding language that requires the petitioning candidate to file a petition for recount of the result of a primary election within three calendar days of that election;
- (2) Inserting an effective date of January 7, 2059; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 364, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 364, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 159 Judiciary and Labor on S.B. No. 243

The purpose and intent of this measure is to clarify the law regarding elections in the event of a natural disaster by:

- (1) Clarifying that the Chief Election Officer or County Clerk in the case of county elections prior to the day of election has the authority to determine whether to postpone an election affected by the natural disaster or require voters of an affected precinct to vote by absentee ballot; and
- (2) Authorizing the Governor on the day of election and thereafter to determine whether to postpone an election affected by the natural disaster or require voters of an affected precinct to vote by absentee ballot unless the Governor is a candidate for office in that election.

Your Committee received testimony in support of this measure from Common Cause Hawaii, American Civil Liberties Union of Hawaii, League of Women Voters of Hawaii, and one individual.

Your Committee finds that existing law authorizes the Chief Election Officer or County Clerk in the case of county elections to consolidate precincts in the event of a natural disaster and, if the natural disaster causes damage that substantially impairs voters' ability to vote, to require registered voters to vote by absentee ballot or postpone the conducting of an election in the affected area for no more than twenty-one days. This authorization was recently exercised in the County of Hawaii during the 2014 primary election. The decision by the Chief Election Officer to postpone the primary election in the polling places affected by Tropical Storm Iselle resulted in litigation and raised concerns regarding the Chief Election Officer's authority under law to postpone elections. This measure clarifies how elections are to be handled in the event of a natural disaster.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 243, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 243, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 160 (Majority) Judiciary and Labor on S.B. No. 248

The purpose and intent of this measure is to make the expenditure of trust funds for the compensation of public employees and contracts for services subject to appropriation and allotment.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that testifiers expressed concern over how the provisions of this measure would be practically applied. Further, your Committee expressed concern over the lack of testimony from other agencies tasked with administering trust funds. Should your Committee on Ways and Means schedule this matter for further hearing, your Committee encourages other agencies to take that opportunity to offer comments or testimony on this measure.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 248, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 248, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 161 Judiciary and Labor on S.B. No. 147

The purpose and intent of this measure is to:

- (1) Establish procedural and administrative requirements for law enforcement to conduct eyewitness identifications, including photo and live lineups and showups, of suspects in criminal investigations;

- (2) Grant a defendant the right to challenge an eyewitness identification to be used at trial in a pretrial evidentiary hearing;
- (3) Establish factors for the court to consider when determining eyewitness identification contamination and the admissibility of such evidence;
- (4) Establish jury instructions when the court determines that the eyewitness identification is admissible; and
- (5) Require county police departments to develop and administer and require law enforcement officers and recruits to attend training programs regarding eyewitness identification practices and procedures.

Your Committee received testimony in support of this measure from the Office of the Public Defender, Community Alliance on Prisons, American Civil Liberties Union of Hawaii, and two individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; and Office of the Prosecuting Attorney, County of Hawaii. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure establishes uniform procedures under which eyewitnesses to crimes are asked to identify suspects. The Office of the Public Defender testified that the current procedures used by law enforcement agencies, including those used by the Honolulu Police Department, are in need of reform to reduce the chances of erroneous eyewitness identifications.

Your Committee notes the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu that codifying eyewitness identification standards may prevent eyewitness identifications from being reviewed under a totality of the circumstances. Furthermore, the Department indicated that Hawaii case law addresses when specific jury instructions pertaining to eyewitness identification are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Adopting minimum procedural and administrative requirements for law enforcement to conduct eyewitness identifications, including:
 - (A) Information that law enforcement is required to provide to an eyewitness;
 - (B) Requirements to prevent law enforcement from contaminating eyewitness identifications;
 - (C) Requirements for law enforcement to use fillers for any photo or live lineup; and
 - (D) Requirements for law enforcement to conduct showups;
- (2) Deleting language that grants a defendant the right to challenge an eyewitness identification to be used at trial, and factors for the court to consider when determining eyewitness identification contamination and the admissibility of such evidence;
- (3) Deleting language that requires county police departments to develop and administer training programs regarding eyewitness identification procedures and inserting language that requires the Attorney General to establish uniform statewide witness identification procedures;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 147, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 147, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 162 Judiciary and Labor on S.B. No. 1072

The purpose and intent of this measure is to provide an emergency appropriation of \$1,100,000 in general revenues to the Department of the Attorney General for fiscal year 2014-2015 to fund contracts to retain expert counsel, expert witnesses, and other legal services.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that the Department of the Attorney General anticipates incurring several major litigation expenses for the retention of expert witnesses and specialized legal counsel. These expenses include expenses to defend the State against claims for money damages in several large, one-time only class action lawsuits and investigating and prepare for filing a suit to recover funds to repair and restore damage in and around Honolulu Harbor resulting from the September 2013 molasses spill. This measure will supplement the normal annual litigation budget used by the Department of the Attorney General to fund litigation expenses.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1072 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 163 (Joint) Tourism and International Affairs and Economic Development and Technology on S.B. No. 1288

The purpose and intent of this measure is to establish the Hawaii Pacific Small Business Consortium to help small businesses obtain government contracts and to develop business opportunities for small businesses by combining their resources to offer services and solutions to the federal, state, and county governments and the commercial sector.

Your Committees received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; and Hawaii Procurement Technical Assistance Center.

Your Committees find that a vibrant small business environment is essential to a healthy economy, and your Committees support efforts to provide greater resources and business opportunities to Hawaii's small businesses.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1288, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1288, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 164 (Joint) Tourism and International Affairs and Economic Development and Technology on S.B. No. 721

The purpose and intent of this measure is to promote economic development. More specifically, this Act:

- (1) Establishes an innovative business interaction program under the Department of Business, Economic Development, and Tourism to increase the opportunity for interaction between innovative business investors and innovative business talent from out-of-state and in-state; and
- (2) Increases the transient accommodations tax revenues deposited into the tourism special fund to provide funds for the program.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; and Hawaii Tourism Authority. Your Committees received testimony in opposition to this measure from the State Procurement Office. Your Committees received comments on this measure from the Tax Foundation of Hawaii and Department of Budget and Finance.

Your Committees find that innovative business growth in Hawaii requires relationships to be established between investors and innovative talent through opportunities that allow for capital and talent to interact. Opportunities need not occur at trade, scientific, commercial, or technology-focused events, and Hawaii has hosted events that may serve as the foundation for innovative business interaction. Your Committees further find that the State should contract with the organizer of an annual event in Hawaii to add a component that encourages the interaction of innovative business investors and talent.

Your Committees also find that, as raised in testimony, some of the proposed statutory language in section 2 of this measure may be unnecessarily restrictive of competition and contrary to the Hawaii Administrative Rules.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language in section 2 that established minimum qualification criteria for the event organizer, and thereby requiring the contract to be awarded in accordance with chapter 103D, Hawaii Revised Statutes, without further restrictions; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 721, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 721, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 165 Transportation on S.B. No. 935

The purpose and intent of this measure is to require that a driver's license issued to a person who is seventy-one years of age or older expire on the licensee's seventy-ninth birthday or two years from the date of the issuance of the license, whichever is later.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that older drivers vary greatly in their ability to drive. This measure is intended to level the playing field while preserving public safety.

Your Committee has amended this measure by:

- (1) Blanking out the specified age at which the expiration requirements shall apply;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 935, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 935, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 166 Transportation on S.B. No. 769

The purpose and intent of this measure is to:

- (1) Require the Director of Transportation to conduct a study examining the feasibility of establishing a fifth lane of travel on the ocean side of Farrington Highway in Nanakuli from Kahe Point to Mohihi Street, to be used for contraflow during rush hour and requiring relocation of the existing railroad;
- (2) Require the Director of Transportation to report to the Legislature prior to the 2016 Regular Session on findings and recommendations of the feasibility study; and
- (3) Make an appropriation to the Department of Transportation to conduct the study.

Your Committee received testimony in support of this measure from the Department of Transportation, Hydroponics Alternatives LLC, and four individuals. Your Committee received testimony in opposition to this measure from the Hawaiian Railway Society, Historic Hawaii Foundation, and one individual. Your Committee received comments on this measure from two individuals.

Your Committee finds that the ocean side of Farrington Highway in Nanakuli from Kahe Point to Mohihi Street is congested at most times of the day and at rush hour can result in gridlock, which poses a public safety hazard as well as an inconvenience to commuters.

Your Committee has amended this measure by:

- (1) Adding language to require the Director of Transportation to include in conducting the feasibility study alternatives to establishing a fifth lane of travel in Nanakuli from Kahe Point to Mohihi Street;
- (2) Increasing the appropriation amount to \$500,000; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 769, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 769, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 3 (Espero, Kouchi, Slom).

SCRep. 167 Transportation on S.B. No. 1041

The purpose and intent of this measure is to authorize the issuance of Haleakala National Park special license plates to any owner of a passenger motor vehicle, who is a resident of the State, for the owner's passenger motor vehicle to observe the importance of Haleakala National Park in Hawaii.

Your Committee received testimony in support of this measure from the office of the Mayor of the County Of Maui, Hawai'i Pacific Parks Association, Hawai'i Volcanoes National Park, and five individuals. Your Committee received comments on this measure from the National Park Service.

Your Committee finds that Haleakala National Park preserves the natural and cultural resources and values of Haleakala and its surrounding areas for the enjoyment, education, and inspiration of current and future generations.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1041, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1041, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 3 (Espero, Kouchi, Slom).

SCRep. 168 Transportation on S.B. No. 1254

The purpose and intent of this measure is to authorize issuance of general obligation bonds for relocation of the Clear Channel broadcast antenna, including design and construction, equipment and appurtenances, and ground and site improvements near the Honolulu Harbor.

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that to enhance the safety and operations of the Department of Transportation, it is vitally important to relocate the Clear Channel broadcast antenna in order to provide a safe flight plan in the case of a "one engine inoperable" scenario. This measure would also allow for additional capacity at Honolulu Harbor by increasing harbor traffic as a result of limiting obstructions to flight paths.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1254 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Espero, Kouchi, Slom).

SCRep. 169 Transportation on S.B. No. 1233

The purpose and intent of this measure is to make an appropriation for a federal inspection station at Kona International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaii Tourism Authority; Office of the Mayor, County of Hawai'i; ILWU Local 142; Hawaiian Airlines; Airlines Committee of Hawaii; and two individuals.

Your Committee finds that a new building, to serve as a federal inspection station at Kona International Airport, will replace a structure that no longer meets United States Customs and Border Protection technical standards, and will provide the State with a second international port of entry. Another port of entry will significantly increase the State's ability to respond to growth in international arrivals.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1233 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Espero, Kouchi, Slom).

SCRep. 170 Transportation on S.B. No. 345

The purpose and intent of this measure is to:

- (1) Raise the age from twelve to eighteen for passengers permitted to ride in the bed of a pickup truck under certain conditions; and
- (2) Deem passengers in the bed of a pickup truck to have assumed the risk of injury or death from an accident or injury occurring while the vehicle is in operation.

Your Committee received testimony in support of this measure from the Department of Health, Honolulu Police Department, Safe Community of Maui, and six individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that the most effective means for preventing truck bed injuries and fatalities is to prohibit any passengers, and especially minors, from riding in the cargo area of pickup trucks. Pickup truck beds are not designed or equipped with safety devices for carrying passengers. The passage of this measure would prohibit those eighteen years of age and under from riding in the bed of a pickup truck, helping to ensure their safety.

According to testimony of the Department of Health, there are no national safety standards that support securing passengers in the bed of pickup trucks. As a result, passengers riding in the bed of pickup trucks are at an increased risk of death and serious injury.

Your Committee has amended this measure by changing the age of persons prohibited from riding in the bed of pickup trucks to persons under the age of eighteen rather than persons age eighteen or under.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 345, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 345, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (English). Noes, none. Excused, 4 (Dela Cruz, Kidani, Kouchi, Slom).

SCRep. 171 (Joint) Agriculture and Energy and Environment on S.B. No. 312

The purpose and intent of this measure is to provide funding for the Department of Agriculture to complete the implementation and continue the operation of its biosecurity programs.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Land Use Research Foundation of Hawaii, Hawaii Farmers Union United, Hawaii Farm Bureau, Maui County Farm Bureau, Coordinating Group on Alien Pest Species, Nature Conservancy, Hawaii Farmers Union United Kona Chapter, Hawaii

Agriculture Resource Center, Hawaii Floriculture and Nursery Association, Conservation Council for Hawaii, Hawaii Farmers Union United HTF, and twenty-two individuals.

Your Committees find that despite the State's ongoing efforts to detect and eradicate invasive species, our fragile island ecosystems are constantly at risk from insects, disease-bearing organisms, snakes, weeds, and other invasive pests. Your Committees further find that the Department of Agriculture has created a biosecurity program to fight invasive species on several fronts by:

- (1) Administering pre-entry measures to minimize the risk of invasive species entering the State;
- (2) Conducting port-of-entry inspections to detect and quarantine or destroy pests upon arrival; and
- (3) Administering post-entry measures to mitigate the establishment of invasive species within the State.

To encourage continued efforts to fight invasive species, your Committees find that it is necessary to provide funding to support biosecurity programs.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 312, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 312, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 172 Energy and Environment on S.B. No. 1047

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue special purpose revenue bonds to assist Pelatron Q, LLC, with the development of waste-to-energy power plants that use its patented plasma gasification and vitrification process for waste management and energy production in Hawaii.

Your Committee received testimony in support of this measure from Hawaii Construction Alliance; Pelatron Q, LLC; and PVT Land Company. Your Committee received testimony in opposition to this measure from Zero Waste Kauai. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Pelatron Q, LLC, offers sustainable solutions for the generation of renewable energy and waste management through the development of waste-to-energy power plants. Pelatron Q, LLC's power plants use a patented plasma gasification and vitrification process that produces clean renewable energy by taking locally produced municipal solid waste and other material that was previously disposed of in the State's landfills and converting the waste into a synthetic gas used to generate electricity that can be exported to the grid. Implementation of this measure will reduce the State's carbon footprint, reduce the environmental impact of landfilling waste, and add living-wage jobs to the State's economy.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1047, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1047, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 173 Energy and Environment on S.B. No. 1042

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist SunStrong LLC, a renewable energy developer, in the provision of electric energy and installation of renewable energy projects in Hawaii.

Your Committee received testimony in support of this measure from SunStrong LLC. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that there is an increasing focus on acquiring renewable sources of energy due to global fossil fuel prices and concerns regarding the State's energy security. The State is extremely well-situated to harness strong trade winds and abundant sunlight to provide renewable energy, and SunStrong LLC has considerable experience in installing renewable energy projects. The implementation of this measure will further the State's clean energy goals by increasing renewable energy and supporting the installation of renewable energy projects in the State.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1042 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 174 Energy and Environment on S.B. No. 619

The purpose and intent of this measure is to extend the lapsing date to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, from June 28, 2015, to June 30, 2020.

Your Committee received testimony in support of this measure from Ulu pono Initiative, Blue Planet Foundation, and Honolulu Seawater Air Conditioning, LLC.

Your Committee finds that traditional air conditioning systems consume massive amounts of electricity. Seawater air conditioning uses cool seawater, rather than electricity, to cool buildings. Throughout the world, seawater air conditioning technology has replaced the energy-intensive central refrigeration system of a traditional air-conditioning system. Implementation of this measure will improve energy and fresh water conservation, which is critical to the State's economy and sustainability.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 619 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 175 Energy and Environment on S.B. No. 750

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Anaergia Incorporated with the development of facilities for renewable nonfossil fuel energy production in Maui.

Your Committee received testimony in support of this measure from Ulu pono Initiative; Anaergia Services, LLC; and eleven individuals. Your Committee received testimony in opposition to this measure from Zero Waste Kauai and one individual. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that Anaergia Incorporated, a global leader in renewable energy and waste-to-energy conversion, proposes to build, own, and operate a project located in central Maui that is designed to process up to seven hundred tons per day of municipal solid waste, green waste, and sewage sludge. The development of renewable, efficient, and secure energy systems in the State, which is geographically isolated from sources of oil, continues to be in the public interest. Implementation of this measure will create new jobs and reduce waste and transportation costs while furthering the State's renewable energy goals.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 750 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 176 Energy and Environment on S.B. No. 618

The purpose and intent of this measure is to extend the lapsing date to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, in building seawater air conditioning projects on Oahu from June 30, 2015, to June 30, 2020.

Your Committee received testimony in support of this measure from Ulu pono Initiative, Blue Planet Foundation, and Honolulu Seawater Air Conditioning, LLC.

Your Committee finds that traditional air conditioning systems consume massive amounts of electricity. Seawater air conditioning uses cool seawater, rather than electricity, to cool buildings. Throughout the world, seawater air conditioning technology has replaced the energy-intensive central refrigeration system of a traditional air-conditioning system. Implementation of this measure will improve energy and fresh water conservation, which is critical to the State's economy and sustainability.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 618 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 177 (Joint) Energy and Environment and Government Operations on S.B. No. 711

The purpose and intent of this measure is to prohibit the expenditure of state funds by state agencies for the purchase of single-serving bottled water, except under certain circumstances.

Your Committees received testimony in opposition to this measure from the Department of Education and International Bottled Water Association. Your Committees received comments on this measure from the Department of Health.

Your Committees find that there is a need to reduce the use of disposable plastics in the State. However, state agencies need to be able to purchase bottled water in certain circumstances, including emergency or natural disaster situations. The implementation of this measure will prohibit the expenditure of state funds by state agencies for the purchase of single-serving bottled water, except under certain circumstances.

Your Committees have amended this measure by expanding the exception to the prohibition on the expenditure of state funds to purchase single-serving bottled water to allow for the purchase of single-serving bottled water in circumstances pertaining to public health and safety preparedness.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 711, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 711, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 178 Commerce and Consumer Protection on S.B. No. 1094

The purpose and intent of this measure is to update title 24 of the Hawaii Revised Statutes, relating to insurance.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure makes fees under title 24, Hawaii Revised Statutes, consistent for applications and services provided by the Insurance Division of the Department of Commerce and Consumer Affairs to purchasing groups, foreign risk retention groups, insurers subject to chapter 431, Hawaii Revised Statutes, fraternal benefit societies, mutual benefit societies, health maintenance organizations, and dental insurers. This measure also enables the Insurance Division to recover certain administrative costs associated with the applications process and services provided by the Division and makes other technical amendments within title 24, Hawaii Revised Statutes, for clarity and consistency.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1094, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1094, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 179 Commerce and Consumer Protection on S.B. No. 1338

The purpose and intent of this measure is to:

- (1) Enable the Hawaii Health Connector (Connector) to offer large group coverage to insurers;
- (2) Require insurer participation in the Connector if an insurer has a share of the small group market in the State that exceeds twenty percent;
- (3) Expand the potential small businesses market in the Connector by amending the current definition of "small employer" under section 431:2-201.5, Hawaii Revised Statutes;
- (4) End transitional renewal policies, beginning January 1, 2016; and
- (5) Require health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector.

Your Committee received testimony in support of this measure from the Hawai'i Health Connector and Hawai'i Primary Care Association. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Hawaii Medical Service Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure offers a number of options to strengthen the Connector, including enabling the Connector to offer large group coverage to insurers and changing the definition of "small employers" in Hawaii from fifty employees to the nationally accepted threshold of one hundred employees. These options will encompass a greater number of businesses in the State, which will provide for a stronger Connector and a better marketplace for consumers.

Your Committee further finds that transitional renewal policies, also known as grandmothers health plans, do not provide all of the features and protections of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). Ending transitional renewal policies on January 1, 2016, as proposed by this measure, will simplify health plan choices for individuals and small businesses and will ensure that all plans offered in Hawaii are fully compliant with the Affordable Care Act.

Your Committee additionally finds that it is important that individuals on unemployment be made aware of potential savings through programs that provide tax credits and other cost-sharing reductions that may lower the overall price of health care. Accordingly, this measure requires health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector.

Your Committee has heard the concerns that requiring an insurer who has over twenty percent of the small group market to participate in the Connector's small business health options program (SHOP) may place that insurer at a competitive disadvantage against other insurers who are not subject to the twenty percent market share threshold. Your Committee has also heard testimony that required participation in SHOP may raise certain constitutional concerns. Your Committee therefore concludes that amendments to the required participation provisions in this measure are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required insurer participation in the Hawaii Health Connector if an insurer has a share of the small group market in the State that exceeds twenty percent;
- (2) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1338, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1338, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 180 Commerce and Consumer Protection on S.B. No. 1341

The purpose and intent of this measure is to provide resources to develop a waiver from certain provisions of the federal Patient Protection and Affordable Care Act of 2010.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Human Resources Development, Hawai'i Primary Care Association, Healthcare Association of Hawaii, The Queen's Health Systems, Hawaii Medical Service Association, League of Women Voters of Hawaii, and Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that this measure amends the scope of the State Innovation Waiver Task Force, established by Act 158, Session Laws of Hawaii 2014, to conform with the requirements of section 1332 of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), relating to state innovation waivers. The Affordable Care Act waiver is an important tool that allows states to amend provisions of the Affordable Care Act to better support unique circumstances that exist in each state's health care market.

Your Committee further finds that a state innovation waiver is particularly important for Hawaii, which has already benefited from the success of the Prepaid Health Care Act. Supporting the State Innovation Waiver Task Force will enable Hawaii to remain at the forefront of health policy innovation, comply with the Affordable Care Act, ensure the Prepaid Health Care Act coexists and complements the Affordable Care Act, and improve the overall functioning of the State's health care system.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1341, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1341, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kidani, Nishihara, Slom).

SCRep. 181 Economic Development and Technology on S.B. No. 1157

The purpose and intent of this measure is to change the Starlight Reserve Advisory Committee from a temporary committee to a permanent committee.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; University of Hawaii System; and Starlight Reserve Advisory Committee. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs.

Your Committee finds that the original purpose of establishing the Starlight Reserve Advisory Committee was to develop and help implement a statewide strategy that would reduce nighttime light pollution with the long-term goals of preserving Hawaii's night sky for astronomical studies, protecting endangered species, and reducing nighttime energy consumption. Achievement of these goals requires the ongoing and coordinated efforts of the institutions represented on the Starlight Reserve Advisory Committee.

Your Committee has amended this measure by:

- (1) Amending the Starlight Reserve Advisory Committee's membership to include the Administrator of the Office of Hawaiian Affairs or the Administrator's designee, rather than the Chairperson of the Office of Hawaiian Affairs or the Chairperson's designee; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1157, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1157, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Harimoto).

SCRep. 182 Economic Development and Technology on S.B. No. 12

The purpose and intent of this measure is to entitle a separate line item to the Small Business Regulatory Review Board within the budget of the Department of Business, Economic Development, and Tourism.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Building Industry Association of Hawaii; Small Business Regulatory Review Board; Chamber of Commerce Hawaii; and Hawaii Business League. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Budget and Finance and the Office of Information Practices.

Your Committee finds that the Small Business Regulatory Review Board provides practical feedback on certain administrative rules that may affect small businesses and their employees. Your Committee further finds that small businesses account for the majority of all employers in the State and currently employ more than half of the State's private sector workforce. Since 1998, the Small Business Regulatory Review Board has reviewed approximately six hundred thirty state rules. A budget line item for operational expenses may provide board members the opportunity to more carefully and systematically plan future board activities.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 12 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 183 Economic Development and Technology on S.B. No. 634

The purpose and intent of this measure is to renew support of commercial high technology growth and development in Hawaii by reestablishing the High Technology Innovation Corporation.

Your Committee received testimony in support of this measure from the High Technology Development Corporation. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that the Legislature created the High Technology Innovation Corporation in 2005 to facilitate state-based growth and development of commercial high technology. The High Technology Innovation Corporation's duties included managing the assets and resources of the High Technology Development Corporation as well as planning, creating, and implementing any programs and projects assigned by the High Technology Development Corporation. The High Technology Innovation Corporation's duties further included identifying and obtaining funding and other resources in support of the High Technology Innovation Corporation and the High Technology Development Corporation from agencies not able to provide resources directly to the High Technology Development Corporation; and assisting the High Technology Development Corporation strategically and operationally in support of the State's technology-based economic development activities. In 2013, the High Technology Innovation Corporation was not extended by the Legislature, and the program accordingly ended.

Your Committee finds that balancing the competing interests of applicants for state government contracts is essential to the effective and sustainable reestablishment of the High Technology Innovation Corporation. Your Committee finds that this balance is attained by amending the composition of the High Technology Innovation Corporation Board of Directors to include the Administrator of the Hawaii State Procurement Office.

Your Committee has amended this measure by:

- (1) Amending the composition of the High Technology Innovation Corporation Board of Directors to include the Administrator of the Hawaii State Procurement Office; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 634, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 634, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 184 Economic Development and Technology on S.B. No. 1003

The purpose and intent of this measure is to provide matching funds for Phase II and Phase III grants of the federal Small Business Innovation Research Program to encourage and enable small companies to commercialize new technologies more effectively.

Your Committee received testimony in support of this measure from the High Technology Development Corporation; Makai Ocean Engineering, Inc.; Oceanit Laboratories, Inc.; and Ibis Networks.

Your Committee finds that the Hawaii small business innovation research program has been instrumental in supporting Hawaii businesses who win coveted federal research and development funding through the federal Small Business Innovation Research Program. The Hawaii program has also assisted Hawaii businesses in efforts to further develop their intellectual property. However, the program is currently limited to providing matching funds for Phase I awards, which in turn means that local businesses are limited from fully commercializing and translating their research into economic gains and job opportunities. This measure would enable the Hawaii small business innovation research program to supplement federal funding for companies who are awarded federal grants to develop new technologies through prototyping, customer interface modeling, and innovational production.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1003 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 185 Water and Land on S.B. No. 1200

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the design and construction of a small boat harbor in South Puna.

Your Committee received testimony in support of this measure from the Laakea Community LLC and six individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that Puna is the fastest growing district in the county of Hawaii, with a population of 45,326, according to the 2010 United States census, and is expected to grow to approximately 75,000 by 2030. Puna is also becoming increasingly popular as a tourist attraction as it is near Hawaii Volcanoes National Park and is a world renowned destination for ecotourism and personal development opportunities.

Your Committee further finds that the district of Puna needs a new small boat harbor to service residents, particularly those living south of the anticipated lava flows. Lava flow is incredibly unpredictable, leaving Puna residents in constant fear of their community being cut off from supplies and services. Currently, the Puna coast has only one option, Pohoiki Boat Ramp, which is too small for commerce. The closest commercial harbor to Puna is Hilo Harbor, a trip that takes approximately six to eight hours round trip from South Puna and requires a great amount of fuel.

Your Committee has amended this measure by:

- (1) Amending the purpose of the authorization for the issuance of general obligation bonds to the conducting of a feasibility study for a small boat harbor in South Puna; and
- (2) Removing language in the purpose section relating to how long the construction of a harbor would take.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1200, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1200, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 186 Water and Land on S.B. No. 313

The purpose and intent of this measure is to make an appropriation for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Waiakea Soil and Water Conservation District; Hawaii Farm Bureau; Maui County Farm Bureau; Larry Jeffs Farms, LLC; Ponoholo Ranch, Ltd; Hawaii Crop Improvement Association; Hydroponics Alternatives LLC; 'Ohulehule Forest Conservancy, LLC; Hawaii Cattlemen's Council; Monsanto Hawaii; Island Princess Macadamia Nut Company; South Oahu Soil and Water Conservation District; Hawaii Association of Conservation Districts; and nine individuals. Your Committee did not receive any testimony in opposition to this measure.

Your Committee finds that soil and water conservation districts have worked to improve Hawaii's environment and economy through major projects over the past sixty years, such as improving farm practices, reducing erosion, augmenting ocean water quality, improving drinking water quality, and fighting invasive species. In addition, the districts assist with reviewing each county's grading permits and conservation plans that are critical to proper county grading permit reviews, preserving the environment, stimulating the economy, and maintaining individual livelihoods. Soil and water conservation districts also provide educational and community support for conservation awareness, including introducing elementary school students to conservation principles and participating in high school resource conservation and development projects.

Your Committee further finds that the demand and accompanying workload of the conservation districts have increased dramatically with population growth and land use changes. The districts receive hundreds of requests for conservation plans and county grading permit reviews each year. As a result, districts are currently struggling to keep pace with the demand, and adequate funding for the work of the Hawaii Association of Conservation Districts is in serious jeopardy at a time of critical demand for its services.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 313 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 187 (Joint) Water and Land and Higher Education and the Arts on S.B. No. 204

The purpose and intent of this measure is to appropriate funds to the University of Hawaii sea grant college program to create a North Shore beach management plan for the north shore of Oahu stretching from the Kawailoa to Waiale'e ahupua'a.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawai'i Sea Grant College Program, Hawaii Shore and Beach Preservation Association, and one individual.

Your Committees find that it is necessary for the State to improve the understanding and management of beach resources along the fifteen-mile stretch of coastline from Haleiwa through Sunset Beach, which is of primary importance to state residents and visitors from around the world for its beautiful beaches, world class surf breaks, and marine resources.

A recent study by researchers from the University of Hawaii and the United States Geological Survey finds the 73 percent of beaches along the north shore of Oahu are undergoing a long-term trend of beach erosion and shoreline retreat. The threat of seasonal erosion and inundation during large waves may be an even greater hazard along many north shore beaches. Management and conservation of north shore beaches is further challenged by a legacy of concentrated development too close to hazard-prone shorelines, as well as impacts from intensive public use. Frequency and severity of coastal erosion and coastal flooding events will only increase with increasing rates of sea level rise in the coming decades.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussions.

As affirmed by the records of votes of the members of your Committees on Water and Land and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 204, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 204, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Ruderman, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 188 (Joint) Transportation and Energy and Environment on S.B. No. 704

The purpose and intent of this measure is to clarify the electric vehicle parking fee exemption for metered and non-metered state or county parking stalls.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development and Tourism and Ulupono Initiative. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that developing an electric vehicle infrastructure is a first and essential step toward the transformation of transportation in Hawaii. With developing technology, along with a push by national and international automakers to expedite the production and supply of electric vehicles, Hawaii must be ready to embrace a new generation of highway transportation.

Your Committees have amended this measure by:

- (1) Requiring a ratio of one electric vehicle parking stall to be reserved per one hundred stalls in places of public accommodations;
- (2) Designating the appropriate county authority having jurisdiction over planning and permitting to enforce electric vehicle parking requirements at places of public accommodations; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 704, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 704, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Kidani, Kouchi, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 189 (Joint) Hawaiian Affairs and Agriculture on S.B. No. 434

The purpose and intent of this measure is to amend the objectives for the planning of the State's economy by adding:

- (1) Perpetuation, promotion, and increasing of the use of traditional Hawaiian farming systems; and
- (2) Increasing and developing small-scale farms.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, University of Hawaii System, Association of Hawaii Civic Clubs, Waimea Homesteaders Association, Land Use Research Foundation of Hawaii, Hawaii Alliance for Community-Based Economic Development, Haku Aina Permaculture Initiative, Kuaiaina Ulu Auamo, Hawaiian Green Growth, Hawaii Farm to School and School Garden Hui, Hawaii Farmers Union – Kona Chapter, The Trust for Public Land, Malama O Puna, Hawaii Farmers Union United, Hookipa Network Kauai, and forty-four individuals. Your Committees received comments on this measure from three individuals.

Your Committees find that traditional Hawaiian farming systems, including small-scale farms, and traditional Hawaiian crops continue to play a critical role in Hawaii. Their perpetuation, promotion, and development should be recognized as an objective of the Hawaii State Plan for the economy with regard to agriculture.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 434, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 434, S.D. 1, and be referred to the Committee on Water and Land.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 190 Hawaiian Affairs on S.B. No. 44

The purpose and intent of this measure is to amend the law relating to Hawaiian affairs.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to:

- (1) Establish the Memorial Mall; and
- (2) Establish the Ho‘onoho pono working group.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 44, as amended herein, and recommends that it be recommitted to the Committee on Hawaiian Affairs, in the form attached hereto as S.B. No. 44, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 191 Human Services and Housing on S.B. No. 722

The purpose and intent of this measure is to help Hawaii’s kupuna prevent lapses or terminations of their long-term care insurance policies by:

- (1) Requiring the termination notice to be sent by certified mail or commercial delivery service instead of first-class mail; and
- (2) Requiring a 60-day grace period to reinstate coverage under a lapsed policy where cognitive impairment or loss of functional capacity is proven.

Your Committee received testimony in support of this measure from AARP Hawaii and two individuals. Your Committee received testimony in opposition to this measure from the American Council of Life Insurers. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that one significant way in which the State can support its kupuna is to help seniors avoid inadvertent lapses or terminations of their long-term care insurance, which plays an important role in financing long-term care. Furthermore, your Committee finds that the health and cognitive challenges that the aging population face make it especially important to have strong consumer protection standards in this area. Your Committee learned through testimony that the language in this measure pertaining to reinstatement of lapsed policies is duplicative of existing language in the Hawaii Revised Statutes.

Therefore, your Committee has amended this measure by:

- (1) Eliminating the provisions that address reinstatement of long-term care insurance policies or certificates after unintentional policy lapses; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 722, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 722, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 192 Human Services and Housing on S.B. No. 920

The purpose and intent of this measure is to increase the Medicaid reimbursement rate paid by the State to equal the Medicare services payment rate for primary and acute care.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Hawaii Medical Association, The Queen's Health Systems, and one individual. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that inadequate Medicaid reimbursement rates put a financial strain on healthcare providers and decrease the probability that Medicaid enrollees will be accepted as patients by healthcare providers. Enhanced Medicaid reimbursement rates have been successful in helping millions of people nationwide gain access to necessary health services.

Your Committee supports the Governor's budget request of \$37,000,000, of which approximately \$17,500,000 are general funds, for Medicaid reimbursements at 83.7 percent of Medicare. Your Committee notes that this percentage includes behavioral health and prenatal care but does not include obstetric care.

Your Committee has amended this measure by inserting language to include obstetric care among the types of services for which the increased Medicaid reimbursement rate shall apply.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 920, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 920, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 193 Human Services and Housing on S.B. No. 912

The purpose and intent of this measure is to provide an inflationary adjustment to long-term care facility prospective payment rates.

Your Committee received testimony in support of this measure from the Healthcare Association of Hawaii, The Queen's Health Systems, and Hawaii Health Systems Corporation. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that about seventy percent of patients in long-term care facilities are Medicaid enrollees, and that payments for Medicaid enrollees do not cover the actual costs of care, which creates a financial challenge for facilities trying to provide quality healthcare. Your Committee further finds that long-term care facilities have not received an inflationary update to their reimbursement rates for many years, and the gap between costs and reimbursements has widened considerably.

Your Committee received testimony from the Department of Human Services expressing concern that increasing the long-term care facility prospective payment rate would create cost implications that could adversely impact priorities in the executive budget and limit the Department's ability to adjust the Medicaid budget in response to fiscal down turns and other fluctuations. While recognizing the important role that long-term care facilities play in the State, your Committee also acknowledges the Department's position and determines that more information is needed to illustrate the financial challenges facing long-term care facilities as well as the effects of an increase to the reimbursement rate.

Therefore, your Committee has amended this measure by:

- (1) Deleting the language that would have increased the long-term care facility prospective payment rate and replacing it with language requiring the Department of Human Services to submit a report to the Legislature every three years that demonstrates long-term care facilities' annual fiscal year costs and reimbursements for Medicaid enrollees as well as the potential impact of increasing the prospective payment rate; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 912, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 912, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 194 Education on S.B. No. 866

The purpose and intent of this measure is to fund the Department of Education's After-school Plus Program to:

- (1) Enhance oversight and administration of the After-school Plus Program by developing and implementing professional training for program staff and an evaluation system;
- (2) Enhance and improve the content of the After-school Plus Program; and
- (3) Alleviate the tuition burden on families of children participating in the After-school Plus Program.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Public Charter Schools Network, Moiliili Community Center, Kahoomiki, YMCA of Honolulu, Hawaii Afterschool Alliance, Kamaaina Kids, and one individual. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education's After-school Plus Program has met a substantial need in the community for after-school childcare for the past twenty-five years. The program provides safe and structured after-school care for thousands of Hawaii families. Currently, the program is supported by user fees and Department of Human Services subsidies for income eligible families. Because operating costs continue to climb, an infusion of funds is necessary to keep user fees reasonable while providing high quality programming.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 866 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Slom).

SCRep. 195 (Joint) Energy and Environment and Transportation and Government Operations on S.B. No. 1051

The purpose and intent of this measure is to:

- (1) Amend the definition of “electric vehicle” to include fuel cell electric vehicles for purposes of parking exemptions, HOV lane use, registration, and designated parking spaces in places of public accommodation;
- (2) Grant procurement priority for fuel cell electric vehicles for state and county purchases; and
- (3) Amend the definition of “electric vehicle charging system” in section 291-71, Hawaii Revised Statutes, to exclude a facility or system for refueling the hydrogen storage tank of a fuel cell electric vehicle.

Your Committees received testimony in support of this measure from the Hawaii Energy Policy Forum, Blue Planet Foundation, Hawaii Automobile Dealers Association, and Alliance of Automobile Manufacturers. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that fuel cell vehicles convert hydrogen and oxygen into electricity to charge the onboard battery and power the vehicle. Fuel cell vehicles can use fuel generated from local clean energy and, unlike fossil fuel vehicles, create no dangerous emissions. Implementation of this measure will reduce gasoline consumption and further the State’s clean energy goals.

Your Committees have amended this measure by:

- (1) Eliminating the “fuel cell electric vehicle” definition”; incorporating language that includes fuel cell electric vehicles under the definition of “electric vehicle” for purposes of parking exemptions, HOV lane use, registration, and designated parking spaces in places of public accommodation; and making conforming amendments; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Transportation, and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1051, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1051, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Transportation

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Kidani, Kouchi, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 196 Ways and Means on H.B. No. 1465

The purpose and intent of this measure is to appropriate funds for the expenses of the legislative branch.

Specifically, this measure appropriates:

- (1) \$8,776,876 to the Senate;
- (2) \$12,022,144 to the House of Representatives;
- (3) \$2,947,349 to the Office the Auditor;
- (4) \$2,800,000 to be deposited into the Audit Revolving Fund;
- (5) \$6,300,000 from the Audit Revolving Fund to the Office of the Auditor to conduct or complete audit functions;
- (6) \$3,440,969 to the Legislative Reference Bureau;
- (7) \$1,216,170 to the Office of the Ombudsman; and
- (8) \$1,008,895 to the Office of the State Ethics Commission.

Your Committee received testimony in support of this measure from the State Ethics Commission, the Office of the Ombudsman, and the Office of the Auditor. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that this measure appropriates sufficient funds to defray the necessary expenses in fiscal year 2015-2016 of the Senate, the House of Representatives, the Office of the Auditor, the Legislative Reference Bureau, the Office of the Ombudsman, and the State Ethics Commission.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1465, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Slom).

SCRep. 197 Ways and Means on H.B. No. 930

The purpose and intent of this measure is to provide the Office of the Governor with moneys to meet payroll shortfalls caused by the gubernatorial transition.

Your Committee received testimony in support of this measure from the Office of the Governor.

Your Committee finds that the gubernatorial transition required the expenditure of unbudgeted funds for vacation payout to departing employees and transfers of revenues to those employees' successor state or county employers. The change in administration also necessitated payroll costs for staff who supported the current Governor's transition by screening resumes, scheduling interviews and establishing essential office operations. Your Committee finds that this appropriation will cover these payroll shortfalls as well as support ongoing equipment leases, professional organization dues, travel expenses, and protocol expenses.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 930, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Slom).

SCRep. 198 Ways and Means on S.B. No. 103

The purpose and intent of this measure is to adjust the amount of an appropriation in the Supplemental Appropriations Act of 2014 to the Department of Labor and Industrial Relations for fiscal year 2014-2015.

Your Committee received testimony in support of this measure from the Office of the Governor.

Your Committee notes that the Governor's testimony also included a request to add an amendment in the measure to correct a technical error in an appropriation that was made in the Supplemental Appropriations Act of 2014 as a grant to the National Kidney Foundation of Hawaii in support of a capital improvement project.

In response to the Governor's request and prior to the hearing on S.B. No. 103, your Committee distributed a proposed Senate Draft 1 that included a provision to adjust the authorized uses for the appropriation made in the Supplemental Appropriations Act of 2014 as a grant to the National Kidney Foundation of Hawaii.

Your Committee received testimony in support of the proposed Senate Draft 1 from the Department of Labor and Industrial Relations.

Your Committee finds that this measure corrects a technical error in Act 122, Session Laws of Hawaii 2014, to accurately reflect the projected costs for accrued vacation payments by the Department of Labor and Industrial Relations.

Your Committee has amended this measure by adopting the proposed Senate Draft 1 to accommodate the Governor's request. However, your Committee emphasizes that this amendment should not serve as a precedent in the future for amending grants that were made by previous Legislatures.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 103, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 103, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 199 Agriculture on S.B. No. 1008

The purpose and intent of this measure is to:

- (1) Establish a formal statewide Food Resiliency Initiative that is recognized and supported by the Legislature and will achieve measurable goals of food self-sufficiency in a reasonable timeframe;
- (2) Establish a task force to set forth the specific benchmarks for the Food Resiliency Initiative and a timeline to achieve those benchmarks; and
- (3) Provide adequate resources to support the Food Resiliency Initiative.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Farmers Union United, and one individual. Your Committee received comments on this measure from the Department of Agriculture and University of Hawaii System.

Your Committee finds that as the most geographically isolated state in the country, Hawaii is dangerously dependent on imported food. Increasing local production will ensure that Hawaii has food sources that will be more stable when faced with global supply disruptions, increasing global demand and shortages of commodities, and potential global food scarcities while providing jobs and economic growth. Your Committee further finds that the Office of Planning, in cooperation with the Department of Agriculture, issued a report in October 2012 entitled "Increased Food Security and Food Self-Sufficiency Strategy: A State Strategic/Functional Plan

Prepared in Accordance with HRS Chapter 226 Hawaii State Plan and the Hawaii Comprehensive Economic Development Strategy.” S.B. No. 584 was introduced during the Regular Session of 2013 to implement the recommendations of the October 2012 report, but was not enacted. Rather than duplicate efforts, your Committee finds that in lieu of the Food Resiliency Initiative and task force, the State would be best served by establishing the agricultural development and food resiliency program and providing resources to implement the existing increased food security and food self-sufficiency strategy.

Your Committee has amended this measure by:

- (1) Deleting contents that duplicate previous efforts and inserting language from S.B. No. 524, S.D. 1, H.D. 1 (Regular Session of 2013), which:
 - (A) Establishes the agricultural development and food resiliency program; and
 - (B) Appropriates funds to implement the increased food security and food self-sufficiency strategy; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1008, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1008, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 200 (Joint) Health and Commerce and Consumer Protection on S.B. No. 725

The purpose and intent of this measure is to grant the Board of Dental Examiners the power to issue cease and desist orders for the unlicensed practice of dentistry and for any other act or practice in violation of the dental licensing laws.

Your Committees received testimony in support of this measure from the Hawaii Dental Association and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and Board of Dental Examiners.

Your Committees find that there is a clear and present danger to the health and welfare of the public when violations of Hawaii dental laws occur in the State. The State Board of Dental Examiners needs the ability to address these situations quickly, as the current length of time it takes to suspend or revoke a license puts the public in danger while that individual continues to provide dental services, sometimes even after arrest and indictment. With the ability to act quickly in these cases, the Board can better protect the public and pressure a licensee to come into compliance.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed the Board of Dental Examiners to issue cease and desist orders for the unlicensed practice of dentistry and for any other act or practice in violation of the dental licensing laws; and
- (2) Upon the recommendation of the Department of Commerce and Consumer Affairs, inserting language to allow the Board of Dental Examiners to establish procedures for an order of summary suspension of a license and to summarily suspend a license.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 725, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 725, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 201 (Joint) Health and Commerce and Consumer Protection on S.B. No. 117

The purpose and intent of this measure is to appropriate funds for direct health care, including primary medical, dental, and behavioral services, for uninsured and underinsured residents of the State.

Your Committees received testimony in support of this measure from Ho‘ōla Lāhui Hawai‘i, Waianae Coast Comprehensive Health Center, The Queen’s Health Systems, Hawaii Primary Care Association, Hawaii Substance Abuse Coalition, and one individual. Your Committees received comments on this measure from the Department of Health.

Your Committees find that community health centers serve uninsured, underinsured, low-income patient populations with demographic complexities and co-morbidities, in addition to one-fourth of the State’s Medicaid members, and many of the State’s homeless individuals and families.

Your Committees further find that community health centers save the health care system \$1,263 per patient per year due to timely, effective care and care management that reduce unnecessary emergency room, in-patient, and specialty utilization, which translated to savings of more than \$90,000,000 for Hawaii’s Medicaid program in 2013. Community health centers are a smart investment that result in healthier communities while saving the State money.

Your Committees have amended this measure by:

- (1) Clarifying that the appropriation in this measure is for direct health care for the uninsured and underinsured patients at community health centers; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 117, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 117, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 202 (Joint/Majority) Health and Commerce and Consumer Protection on S.B. No. 337

The purpose and intent of this measure is to require birthing facilities to perform a pulse oximetry test or other medically accepted test on newborns to screen for critical congenital heart defects.

Your Committees received testimony in support of this measure from the March of Dimes, Hawaii Chapter; Kapiolani Medical Center; Family Voices of Hawai'i; American Heart Association; and two individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that pulse oximetry is a non-invasive test that estimates the percentage of hemoglobin in blood that is saturated with oxygen. When performed on newborns in birthing facilities, pulse oximetry is effective at detecting critical, life-threatening congenital heart defects, which otherwise may go undetected by current screening methods. Many newborn lives could be saved by earlier detection and treatment of congenital heart defects if birthing facilities in the State were required to perform this screening in conjunction with current congenital heart disease screening methods.

Your Committees have amended this measure by:

- (1) Inserting language to require birthing facilities to report a minimum data set to the Department of Health for quality improvement activities; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 337, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 337, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 203 (Joint/Majority) Health and Commerce and Consumer Protection on S.B. No. 768

The purpose and intent of this measure is to provide insurance coverage equality for women who are diagnosed with infertility by making available to them expanded treatment options, ensuring adequate and affordable health care services.

Your Committees received testimony in support of this measure from Kaiser Permanente Hawaii, Hawaii State Democratic Women's Caucus, and two individuals. Your Committees received testimony in opposition to this measure from the Hawaii Catholic Conference and Chamber of Commerce Hawaii. Your Committees received comments on this measure from the Department of Human Services, Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committees find that infertility is a disease of the reproductive system that impairs and substantially limits an individual's major life activity of reproduction. In the United States, infertility affects approximately seven million women and their partners, and approximately twelve percent of women of childbearing age have used an infertility service. Since 1987, Hawaii has required insurance coverage for the treatment of infertility through in vitro fertilization. However, existing law provides for only a one-time benefit; applies only to the insured or insured's spouse; requires fertilization with the sperm from the patient's spouse; requires a history of infertility for at least five years; requires previous attempts at pregnancy through other applicable infertility treatments for which coverage is available; and applies only to a limited number of medical conditions associated with infertility.

Your Committees have amended this measure by:

- (1) Amending the definition of "infertility" to be consistent with the American College of Obstetricians and Gynecologists and American Society for Reproductive Medicine; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 768, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 768, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 204 (Joint/Majority) Health and Commerce and Consumer Protection on S.B. No. 791

The purpose and intent of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism diagnosis and treatment.

Your Committees received testimony in support of this measure from State Council on Developmental Disabilities; Autism Speaks; Autism Behavior Consulting Group, Inc.; Community Children's Council of Hawaii; Easter Seals Hawaii; Special Education Advisory Council; Kaiser Permanente Hawaii; Family Voices of Hawai'i; and several individuals. Your Committees received comments on this measure from the Department of Health, Department of Commerce and Consumer Affairs, Autism Society of Hawaii, Hawaii Disability Rights Center, American Council of Life Insurers, Hawaii Medical Service Association, and Chamber of Commerce Hawaii.

Your Committees find that autism spectrum disorder treatments, including applied behavior analysis, are essential and have the potential to change the lives of children with autism. Your Committees further find that no child with autism in Hawaii should be denied proper treatment due solely to the cost of the treatment.

Your Committees have heard the testimony from several parties and individuals expressing concerns relating to age and cost coverage limitations and licensure procedures; therefore, your Committees request that your Committee on Ways and Means further examine these issues if it chooses to hear this measure.

Your Committees express their gratitude to the testifiers who shared their heartfelt testimonies on this measure and to the individuals and organizations who worked on this measure.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 791 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Riviere).

Commerce and Consumer Protection

Ayes, 3. Noes, 1 (Slom). Excused, 3 (Kahele, Kidani, Nishihara).

SCRep. 205 (Joint/Majority) Health and Commerce and Consumer Protection on S.B. No. 306

The purpose and intent of this measure is to require health insurance coverage of orthodontic treatment for orofacial anomalies.

Your Committees received testimony in support of this measure from the Office of the Auditor, State Council on Developmental Disabilities, Hawaii Dental Association, Kapi'olani Medical Center Cleft and Craniofacial Center, Hawaii Chapter of the American Academy of Pediatrics, Family Voices of Hawai'i, and seventeen individuals. Your Committees received comments on this measure from the Department of Health, Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committees find that it is estimated that one in five hundred children in the State is born with orofacial anomalies such as cleft lip or cleft palate. Orthodontic services for the treatment of orofacial anomalies are not included as a benefit of commercial health plans. Without orthodontic treatment, appropriate care and reconstructive surgical outcomes are compromised and result in functional deficiencies in chewing, swallowing, respiration, speech, unstable or malpositioned oral structures, premature tooth loss, and other health problems.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 306 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 206 Health on S.B. No. 1174

The purpose and intent of this measure is to:

- (1) Provide that an independent medical examination and permanent impairment rating examination shall be conducted by a qualified physician selected by the mutual agreement of the parties; and
- (2) Provide a process for appointment in the event that there is no mutual agreement.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, American Chiropractic Association, ILWU Local 142, and two individuals. Your Committee received testimony in opposition to this measure

from the City and County of Honolulu; Hawaii Insurers Council; Mechanical Contractors Workers' Compensation Self-Insurance Group; PVT Land Company Ltd.; S&M Sakamoto, Inc.; JS International, Inc.; LYZ, Inc.; Economy Plumbing and Air Conditioning; Rons Construction Corporation; Property Casualty Insurers Association of America; Robert M. Kaya Builders, Inc.; Dorvin D. Leis Co., Inc.; Jayar Construction, Inc.; Swinerton Builders; JBL HAWAII, LIMITED; Society for Human Resource Management, Hawaii Chapter; Healy Tibbitts Builders, Inc.; Chamber of Commerce Hawaii; and one individual. Your Committee received comments on this measure from the Department of Human Resources Development and one individual.

Your Committee finds that the workers' compensation system is often adversarial in nature as both employee and employer choose doctors that are highly partisan to each respective side. Mutual agreement regarding the selection of the independent medical examination or permanent impairment rating examination physician will serve to minimize or even eliminate negative perceptions about the examiner, providing reassurance to the injured worker that the examination will be conducted fairly.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1174, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 207 Health on S.B. No. 116

The purpose and intent of this measure is to establish a rule of evidence to exclude the admissibility of medical apologies to prove liability.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Hawaii Medical Association, The Queen's Health Systems, and Healthcare Association of Hawaii. Your Committee received testimony in opposition to this measure from the Judiciary and Hawaii Association for Justice.

Your Committee finds that a healthy doctor-patient relationship facilitates the transfer of information in both directions, enhancing accuracy of diagnosis and increasing the patient's knowledge about the disease. Patients must have confidence in the competence of their physicians and must feel that they can confide in their physicians. Physicians must be able to reassure and comfort their patients while remaining honest. A healthy relationship ensures that doctors and patients can fulfill their roles and meet the expectations of each other. Medical apology laws are designed to encourage communication between patients and health care providers.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 116, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 116, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 208 Health on S.B. No. 50

The purpose and intent of this measure is to amend the law relating to health.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to clarify that medical health professionals who are employed by the State receive a qualified immunity from personal liability when exercising their governmental discretion as employees of the State while acting in the course and scope of their state employment.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 50, as amended herein, and recommends that it be recommitted to the Committee on Health, in the form attached hereto as S.B. No. 50, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Wakai, Slom).

SCRep. 209 Health on S.B. No. 51

The purpose and intent of this measure is to amend the law relating to health.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to establish a stroke coalition and a stroke database in the Department of Health.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 51, as amended herein, and recommends that it be recommitted to the Committee on Health, in the form attached hereto as S.B. No. 51, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Wakai, Slom).

SCRep. 210 Health on S.B. No. 1281

The purpose and intent of this measure is to appropriate monies for additional emergency medical services in the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas.

Your Committee received testimony in support of this measure from the United Public Workers. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that more emergency services are needed in the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas on the island of Oahu. As calls for emergency response services increase, a greater burden is placed on the City and County of Honolulu Emergency Medical Services Division to respond to emergency calls in these areas. This increased workload threatens the ability of the Division to provide acceptable levels of emergency medical services.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1281 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 211 Health on S.B. No. 114

The purpose and intent of this measure is to require, after January 1, 2016, the continuing education program for dentists to include three hours of ethics training per year.

Your Committee received testimony in support of this measure from the Hawaii Dental Association. Your Committee received comments on this measure from the Board of Dental Examiners.

Your Committee finds that Hawaii's licensed dentists are required to maintain their professional licensure with continuing education classes in order to keep up with current professional standards and procedures. Ethics is an area that is often overlooked in education. This training will maintain the integrity of the profession and assure the public that their interests are protected.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 114 and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 212 Health on S.B. No. 1277

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to various Paradise Ohana entities for development of health care facilities in West Oahu.

Your Committee received testimony in support of this measure from Paradise Ohana, LLC. Your Committee received testimony in opposition to this measure from the Property Casualty Insurers Association of America. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that there is a need for health care facilities in West Oahu, as the shortage of doctors and nurses is hurting all areas of the State. Paradise Ohana, LLC, is looking to partner with local health care providers in West Oahu and other health care providers to develop the much needed health care facilities for West Oahu.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1277, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1277, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 213 Health on S.B. No. 735

The purpose and intent of this measure is to, beginning on July 1, 2017, require licensed registered nurses and licensed practical nurses to submit evidence of completed continuing competency requirements prior to the renewal of the license.

Your Committee received testimony in support of this measure from Hawai'i Pacific Health, American Organization of Nurse Executives Hawai'i, Pali Momi Medical Center, Straub Clinic and Hospital, Kapi'olani Medical Center for Women and Children, Wilcox Memorial Hospital, Hawai'i State Center for Nursing, Board of Nursing, Hawaii Government Employees Association, and eleven individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the requirement of all candidates for an initial nurse license to pass a national examination has resulted in the consistent practice of quality health care services administered to the public. This examination safeguards the quality of health care practices by ensuring that each candidate possesses the minimum competencies necessary for newly licensed, entry-level registered and practical nurses to perform their jobs safely and effectively. Despite the clear benefits of this safeguard, continuing

competency requirements are not currently instituted for nurse licensure renewal applications in the State. This measure enhances patient safety by requiring Hawaii-licensed nurses to complete continuing competency requirements prior to any application for license renewal, restoration, or reinstatement.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 735, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 735, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 214 Health on S.B. No. 904

The purpose and intent of this measure is to:

- (1) Establish a health care interpreter qualification or certification system within the Department of Health;
- (2) Establish and appropriate funds for the Hawaii Board of Health Care Interpreters; and
- (3) Authorize the Board to qualify or certify a person as a health care interpreter.

Your Committee received testimony in support of this measure from the Hawaii Interpreter Action Network, Hawai'i Civil Rights Commission, and one individual. Your Committee received comments on this measure from the Office of Language Access, Pacific Gateway Center, and one individual.

Your Committee finds that the lack of competent health care interpreters in the provision of health care services impedes the free flow of communication between the health care provider and patient, preventing clear and accurate communication and the development of empathy, confidence, and mutual trust that is essential for an effective relationship between a health care provider and patient.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 904 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 215 Health on S.B. No. 766

The purpose and intent of this measure is to:

- (1) Require that a physician selected and paid for by an employer to conduct a medical examination for workers' compensation purposes shall be actively treating at least ten patients in any one-month period, be actively treating at least fifty percent of the physician's total patient load in a one-month period, and possess medical malpractice insurance; and
- (2) Define "actively treating".

Your Committee received testimony in support of this measure from the International Association of Rehabilitation Professionals; International Longshore and Warehouse Union, Local 142; and three individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu; National Association of Mutual Insurance Companies; Hawaii Insurers Council; Society for Human Resource Management, Hawaii Chapter; and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of Human Resources Development and Department of Labor and Industrial Relations.

Your Committee finds that an independent medical examination conducted by a physician of an employer's choice is the primary tool that is available to an employer to help overcome the statutory presumption that a claim is for a covered work injury, to show that ongoing medical treatment may be unreasonable or unnecessary, and to determine whether a requested medical treatment is reasonable and related to the work injury. Therefore, it is critical to make sure that injured workers are evaluated and treated by competent, actively treating medical professionals.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 766 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 216 (Joint) Energy and Environment and Government Operations on S.B. No. 1225

The purpose and intent of this measure is to require the Department of Accounting and General Services to:

- (1) Conduct a feasibility study on the use of water scalping technology in state facilities; and
- (2) Create a water scalping pilot project to implement water scalping technology in new and existing state facilities.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Mele Associates, Inc.; and one individual. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services. Your Committees received comments on this measure from the Department of Health.

Your Committees find that as an island state, Hawaii has limited access to natural fresh water supplies. The increase in development, population growth, and climate change will threaten fresh water access, and innovative water conservation options need to be explored. Water scalping is a decentralized method of water treatment and conservation that involves the extraction of valuable, usable water from a sewerage network. By treating this extracted water to achieve varying degrees of water safety and quality, otherwise unused and wasted water is able to be reclaimed and put to beneficial uses. The implementation of this measure will reduce the State's reliance on conventional water supplies and further the State's goal of sustainability.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1225, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1225, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Government Operations

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 217 (Joint) Agriculture and Water and Land on S.B. No. 512

The purpose and intent of this measure is to appropriate funds for the implementation and operation of the Hawaii one program to provide conservation plans online.

Your Committees received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Cattlemen's Council, Ulupono Initiative, Hydroponics Alternatives LLC, Oahu Resource Conservation and Development Council, Hawaii Association of Conservation Districts, and five individuals. Your Committees received comments on this measure from the Department of Agriculture and one individual.

Your Committees find that state coastal zone management law requires farmers who plow land or stockpile compost to obtain grading and stockpiling permits each time they conduct these activities, unless they have a soil and water conservation plan. Such plans are detailed documents requiring data such as rainfall averages and topography. Assistance formerly available to farmers via the federal Natural Resources Conservation Service were cut years ago. Farmers are currently waiting years for technical assistance, which is impeding the ability of the State to increase agricultural production.

Your Committees further find that the State of Idaho developed an online program for conservation plans called the Idaho One Plan, which is a model for a tool to assist Hawaii farmers in complying with government regulations and will increase productivity on the farm, while saving time and money for all parties involved. The Idaho program uses existing data to allow farmers to access property-specific rainfall data and other information, enter their proposed farming activities, and then identify the soil and water conservation best management practices for their property.

Your Committees find that conservation plans are an important tool for farmers to use in order to maximize soil retention by implementing best management practices regarding erosion and sediment control. The Ulupono Initiative granted money in 2013 to partially fund the Hawaii One Program buildout; therefore, an appropriation of \$70,000 is required for only one fiscal year to pay for the remaining expenditures.

Your Committees have amended this measure by:

- (1) Inserting language to establish the Hawaii One Plan Steering Committee, similar in nature to the committee established by Idaho in statute, and directing the steering committee to work with the Department of Agriculture on the development and implementation of the Hawaii One Plan;
- (2) Inserting language to deem information provided by a user to the Hawaii One Plan as confidential and exempt from disclosure;
- (3) Amending the purpose section to include the Hawaii One Plan Steering Committee;
- (4) Appropriating funds for only fiscal year 2015-2016; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

In inserting the language to deem information provided by users to the Hawaii One Plan as confidential and exempt from disclosure, your Committees note their intent that farmers' property-specific information and farm plans be deemed confidential and exempt from disclosure.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 512, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 512, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 7. Noes, none. Excused, none.

Water and Land

Ayes, 7. Noes, none. Excused, none.

SCRep. 218 Public Safety, Intergovernmental and Military Affairs on S.B. No. 109

The purpose and intent of this measure is to require county police commissions to establish procedures regarding the suspension, removal from a specified duty for disciplinary reasons, or termination of any police officer.

Your Committee received testimony in support of this measure from the Remington College Honolulu Criminal Justice Student Coalition, Hawaii State Coalition Against Domestic Violence, and fourteen individuals.

Your Committee finds that there is great concern regarding the oversight of the Honolulu Police Department following a recent domestic violence incident involving a police officer and his former girlfriend. Allowing a police officer involved in a domestic violence incident to retain the officer's position sends the wrong message to the citizens of Hawaii. Implementation of this measure will increase the credibility of the county police departments and restore confidence in advocates and victims of domestic violence.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 109, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 109, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 219 Public Safety, Intergovernmental and Military Affairs on S.B. No. 389

The purpose and intent of this measure is to amend the composition of the county police commissions to require three commissioners on each police commission to include the Executive Director of the State Commission on the Status of Women, or a designated commissioner; Executive Director of the Hawaii Civil Rights Commission, or a designated commissioner; and an individual with prior experience in law enforcement.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Domestic Violence Action Center, League of Women Voters, Hawaii State Coalition Against Domestic Violence, and thirteen individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee has heard the testimony from the Department of the Attorney General expressing certain constitutional concerns regarding this measure. Your Committee finds that this issue merits further consideration and requests that your Committee on Judiciary and Labor further examine the concerns raised by the Department of the Attorney General.

Your Committee finds that the county police commissions are charged with overseeing conduct of the county police departments or officers. In the wake of a September 2014 high-profile domestic violence incident involving an off-duty Honolulu Police Department sergeant, it is clear that residents in the State should have confidence that the county police departments are being held accountable for the actions of county police officers. The inclusion of commissioners with experience or backgrounds pertaining to women's issues, civil rights, and law enforcement on the county police commissions will greatly benefit the general public. Implementation of this measure will improve transparency, accountability, and efficiency in dealing with police misconduct.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the police commissions include the specified individuals and instead requiring that there are commissioners on each police commission that have experience or backgrounds pertaining to women's issues, civil rights, and law enforcement;
- (2) Amending the purpose section accordingly;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 389, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 389, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 220 Public Safety, Intergovernmental and Military Affairs on S.B. No. 396

The purpose and intent of this measure is to establish that citizen complaints against a police officer that involve allegations of domestic abuse against a family or household member on the part of the police officer are not required to be in writing or sworn to by the complainant.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Domestic Violence Action Center, Hawaii State Democratic Women's Caucus, and Hawaii State Coalition Against Domestic Violence.

Your Committee finds that as part of the police union's collective bargaining agreement, all external complaints against a police officer, including domestic violence complaints, must be in writing and sworn to by the complainant. This requirement may discourage individuals involved in a domestic dispute with a police officer from reporting the abuse and re-victimizes a complainant by forcing the complainant to swear to something in writing. Domestic violence victims should not have to go through a stringent process with little anonymity to make a complaint. Implementation of this measure provides domestic violence victims with a mechanism to make a domestic violence complaint and avoid re-victimization.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 396, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 396, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 221 Public Safety, Intergovernmental and Military Affairs on S.B. No. 497

The purpose and intent of this measure is to repeal the privacy exemption within the Uniform Information Practices Act for county police department officers.

Your Committee received testimony in support of this measure from the Office of Information Practices, Hawaii State Commission on the Status of Women, League of Women Voters, Domestic Violence Action Center, Civil Beat Law Center for the Public Interest, Society of Professional Journalists, Hawaii State Democratic Women's Caucus, Hawaii State Coalition Against Domestic Violence, Common Cause Hawaii, and three individuals. Your Committee received testimony in opposition to this measure from the State of Hawaii Organization of Police Officers.

Your Committee finds that the Honolulu Police Department has been heavily criticized by lawmakers and the public in the wake of a recent high-profile domestic violence incident involving an off-duty Honolulu Police Department sergeant and his then-girlfriend. The sergeant's actions sparked concern about the way the police departments handle domestic violence cases and public accountability for police officers. While other government employees' misconduct information becomes accessible by the public if the misconduct results in the employee's suspension or discharge, existing law provides a privacy exemption within the Uniform Information Practices Act for county police officers. Implementation of this measure will increase accountability of police officers whose misconduct results in suspension or discharge and ensure that police officers are held to the same standards as other government employees.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 497, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 497, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 222 (Joint) Public Safety, Intergovernmental and Military Affairs and Health on S.B. No. 563

The purpose and intent of this measure is to require the Department of Public Safety to establish a mental health first aid training program that includes mandatory eight-hour sessions triennially for law enforcement personnel, correctional officers, and other public safety officials to teach skills used for identifying and assisting individuals with mental health disorders and crises.

Your Committees received testimony in support of this measure from the Community Alliance on Prisons, Remington College Honolulu Criminal Justice Student Coalition, and ten individuals. Your Committees received testimony in opposition to this measure from the Department of Public Safety.

Your Committees find that there has been a rise in the number of inmates with mental health disorders. This escalation requires Department of Public Safety staff to be properly trained to handle incidents involving inmates with mental health disorders. Increasing awareness of, promotion of education on, and knowledge of mental health problems will provide a safer workplace for law enforcement personnel, correctional officers, and other public safety officials and ensure the safety of inmates with mental health disorders.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 563 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Health
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 223 Commerce and Consumer Protection on S.B. No. 234

The purpose and intent of this measure is to:

- (1) Require a retail employer to pay a retail employee who works on a state holiday at a wage rate of three times the retail employee's regular wage rate; and
- (2) Prohibit a retail employer from taking retaliatory personnel action against a retail employee for electing not to work on a state holiday.

Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii; Hawaii Food Industry Association; Retail Merchants of Hawaii; ABC Stores; Society for Human Resource Management, Hawaii Chapter; National Federation of Independent Business - Hawaii; Times Supermarket; and five individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that there has been a growing trend of some establishments beginning the holiday shopping season, which traditionally began the day after Thanksgiving, on Thanksgiving Day. Employees who are expected to work these extended hours on holidays must do so while sacrificing time away from family and friends or other interests.

Your Committee has heard testimony that the wage rate requirement proposed by this measure would create an administrative burden for employers and employees. Your Committee understands these concerns and recognizes that businesses should be able to create schedules and policies that work for individual employees and specific businesses. However, your Committee also concludes that employees who elect not to work on a holiday traditionally reserved for family gatherings should not be subject to retaliatory personnel action by their employer. Amendments to this measure are therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have established a new section under chapter 387, Hawaii Revised Statutes, relating to wages paid by retail employers to retail employees on state holidays and a retaliatory personnel action prohibition;
- (2) Specifying that it shall be unlawful for any employer to suspend, discharge, or discriminate against any of the employer's employees because an employee refused to work on a holiday that is traditionally reserved for family gatherings, such as Thanksgiving or Christmas, if scheduled to do so by the employer;
- (3) Updating the purpose section;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 234, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 234, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 224 Commerce and Consumer Protection on S.B. No. 736

The purpose and intent of this measure is to:

- (1) Require an entity to send written notice to a health care provider at least thirty calendar days prior to initiating any insurance recoupment or offset demand efforts; and
- (2) Prohibit an entity from initiating any recoupment or offset efforts more than twelve months after an initial claim payment was received by a health care provider, with certain exceptions.

Your Committee received testimony in support of this measure from the Hawai'i Psychological Association, Hawaii Medical Association, and Hawai'i Primary Care Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Service Association.

Your Committee finds that insurance recoupment occurs when a health insurance plan pays benefits to providers and later seeks reimbursement for the benefits, after the health insurance plan determines that the benefits were paid out in error. Although health care providers in Hawaii generally have twelve months to submit claims to health insurance plans, there is no similar time limit that prevents health insurance plans from attempting to recoup funds previously paid to health care providers.

Your Committee further finds that this measure proposes a twelve-month standard time frame for insurance recoupment or offset demand efforts. Your Committee has heard testimony that twelve to eighteen months is a common time frame for recoupment or offset demand efforts by health insurance plans in Hawaii. Your Committee also notes that federal law does not place specific time limits on recoupment recovery. Amendments to this measure are therefore necessary to clarify that recoupment or offset efforts under state law do not apply to Medicaid, Medicare, or other federally financed plans. Amendments to this measure are also necessary to address a time limit on recoupment or offset efforts in cases of fraud or material misrepresentation.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the reimbursement for accident and health or sickness insurance benefits applies to accident and health or sickness insurers issuing comprehensive medical plans under specific portions of the State Insurance Code;
- (2) Specifying that an entity is prohibited from initiating any recoupment or offset efforts more than eighteen months after an initial claim payment was received by a health care provider or health care entity;

- (3) Clarifying that the time limit on recoupment or offset efforts shall not apply to claims for self-insured employer groups; for services rendered to individuals associated with a health care entity through a national participating provider network; or for claims for Medicaid, Medicare, Medigap, or other federally financed plan;
- (4) Specifying that in cases of fraud or material misrepresentation, an entity is prohibited from initiating any recoupment or offset efforts more than seventy-two months after the initial claim payment was received by a health care provider or health care entity;
- (5) Adding definitions for “acute care hospital” and “fraud” and clarifying the definitions of “clean claim” and “health care facility”;
- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 736, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 736, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 225 Commerce and Consumer Protection on S.B. No. 1262

The purpose and intent of this measure is to amend the Secure and Fair Enforcement for Mortgage Licensing Act by:

- (1) Amending the definition of “sole proprietorship”;
- (2) Clarifying that mortgage loan originator companies may post language specifying that members of the public may be seen by appointment during posted business hours; and
- (3) Raising the target balance of the mortgage loan recovery fund and requiring the Insurance Commissioner to adjust the assessed mortgage loan recovery fund fee once the target balance is reached.

Your Committee received testimony in support of this measure from the Hawaii Association of Mortgage Brokers and one individual. Your Committee received comments on this measure from the Division of Financial Institutions of the Department of Commerce and Consumer Affairs and Business Registration Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure was intended to update certain provisions in chapter 454F, Hawaii Revised Statutes, to conform to certain standards within the mortgage loan origination industry. However, your Committee has heard testimony that this measure as written may have unintended consequences.

Your Committee has heard the concerns that amending the definition of “sole proprietorship” within chapter 454F, Hawaii Revised Statutes, may cause unnecessary ambiguity and confusion in the interpretation of this chapter. Your Committee notes that the existing definition of “sole proprietorship” makes it clear that a single owner/operator legal entity, such as a corporation or limited liability company, is not eligible for the “sole proprietorship” category of mortgage loan originator fees. This existing definition is also consistent with definitions used by the Internal Revenue Service and the United States Small Business Administration.

Your Committee has also heard the concerns that the public would be disserved by relaxing mortgage loan originator company office hour requirements. Your Committee notes that, in response to consumer complaints, chapter 454F, Hawaii Revised Statutes, was amended in 2014 to require mortgage loan originator company locations to be open for business to the public during regular posted business hours. According to the Division of Financial Institutions, even after passage of the 2014 amendments, the Division received twenty-two complaints related to consumers being unable to reach their mortgage loan originators. Your Committee concludes that in view of the risk to consumers who cannot contact their mortgage loan originator, it is not appropriate to amend mortgage loan originator company office hour requirements.

Finally, your Committee has heard testimony that this measure proposes a \$750,000 floor and a \$1,000,000 ceiling on the balance of the mortgage loan recovery fund. Your Committee understands the concerns that this does not provide flexibility in the event that the circuit court orders payouts from the fund. However, your Committee notes that the Department of the Attorney General is currently reviewing a rule drafted by the Department of Commerce and Consumer Affairs that would enable the Commissioner of Financial Institutions to exercise the authority to adjust or cease collection of fees generated by renewals when the fund reaches \$750,000. Your Committee finds that enabling the Commissioner of Financial Institutions to make a finding to adjust the assessed mortgage loan recovery fund fee is more appropriate than setting floor and ceiling requirements on the balance of this fund.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have amended the definition of “sole proprietorship”;
- (2) Deleting language that would have enabled mortgage loan originator companies to post language specifying that members of the public may be seen by appointment during posted business hours;
- (3) Permitting the Commissioner of Financial Institutions to make a finding to adjust the assessed mortgage loan recovery fund fee once the mortgage loan recovery fund reaches its target balance, rather than requiring the Insurance Commissioner to cease collection of fees once the mortgage loan recovery fund attains a specific funding level;
- (4) Updating the purpose section of this measure to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1262, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1262, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 226 Commerce and Consumer Protection on S.B. No. 745

The purpose and intent of this measure is to require any health insurer with at least a twenty percent share of the health insurance market to submit its qualified plans and qualified dental plans for inclusion in the Hawaii Health Connector.

Your Committee received testimony in support of this measure from the Hawai'i Health Connector and Hawai'i Primary Care Association. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Hawaii Medical Service Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure requires any health insurer who services more than twenty percent of the health insurance marketplace to offer coverage on the Hawaii Health Connector. Sometimes referred to as a tying provision, this requirement, allowable under federal law, is intended to give equal access to Hawaii's major insurance providers. Your Committee notes that although there may be differences on how the policy is implemented in each state, a majority of states have already adopted a tying provision similar to the one proposed by this measure.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 745, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 745, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 227 Commerce and Consumer Protection on S.B. No. 1028

The purpose and intent of this measure is to:

- (1) Retain current financial and service benefits of the Hawaii Health Connector (Connector);
- (2) Enhance the availability of services through the Connector; and
- (3) Support the self-sustainability of the Connector by 2023 by enabling the Connector to issue debentures issued in the name of the Connector.

Your Committee received testimony in support of this measure from the Hawai'i Health Connector and Hawai'i Primary Care Association. Your Committee received comments on this measure from the Department of the Attorney General, Department of Budget and Finance, and Department of Commerce and Consumer Affairs.

Your Committee finds that the Connector has been working with the State and the private sector to ensure that the requirements of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) work in tandem with the highly successful Hawaii Prepaid Health Care Act to preserve the Prepaid Health Care Act's existing benefits for Hawaii residents. According to testimony received from the Connector, daily enrollments in the Connector have been increasing as more citizens experience an enrollment process supported by improved technology, better-trained staff, and faster access to affordable health insurance plans.

Your Committee further finds that the State recently decided to remove 7,500 Compact of Free Association Migrants from the Medicaid program and enroll these individuals in health insurance through the Connector. To preserve provider-patient relationships and protect continuity of care, amendments to this measure, which mirror Affordable Care Act language and relate to qualified health plans in the Connector and federally-qualified health centers, are necessary.

Your Committee notes that although the Affordable Care Act funded the development and initial operation of the Connector, the federal government did not provide the start-up capital necessary to support operations until the Connector enrolled a sufficient number of individuals to help pay for the Connector's operating expenses. This measure supports the continued self-sustainability of the Connector through a variety of changes to the Connector's authority.

However, your Committee has heard the concerns that this measure deletes the mandate that the Connector meet the requirements of chapter 42F, Hawaii Revised Statutes, to qualify for receipt of state funds. Your Committee notes that the Hawaii State Constitution requires chapter 42F, Hawaii Revised Statutes, to be followed or alternative standards must be developed and provided by law in order for the Connector to receive state funds. In the absence of alternative standards, your Committee concludes that the chapter 42F, Hawaii Revised Statutes, mandate should remain in statute.

Your Committee additionally finds that this measure authorizes the Connector to issue debentures guaranteed by the State but issued in the name of the Connector. Your Committee has heard the testimony from the Department of the Attorney General relating to the issuance of debentures proposed by this measure and concludes that certain amendments are necessary, including a statement of public purpose and identification of the state agency authorized to guarantee, approve, and oversee the issuance of debentures.

Finally, your Committee notes that pursuant to the Hawaii State Constitution, where the State incurs a contingent liability on a debt, a reasonable reserve must be established. Although this measure authorizes the State to incur a contingent liability, it does not require or establish the constitutionally required reserve. Amendments to this measure are therefore necessary to effectuate the reasonable reserve requirement under the state constitution.

Accordingly, your Committee has amended this measure by:

- (1) Requiring qualified health plans in the Connector to offer to contract with federally-qualified health centers providing services in areas served by the qualified health plan and utilize payment methodology as specified in the federal Social Security Act;
- (2) Removing language that would have deleted the mandate that the Connector meet the requirements of chapter 42F, Hawaii Revised Statutes;
- (3) Clarifying that to achieve continued self-sustainability, the Connector may charge assessments or user fees to participating carriers or may otherwise generate non-insurer based funding to support its operations;
- (4) Specifying that all plans to generate revenue for the Connector shall be in compliance with federal and state laws, rules, and regulations;
- (5) Specifying that the State of Hawaii shall approve the terms of the debentures before the debentures are issued by the Connector;
- (6) Identifying the Hawaii Hurricane Relief Fund as the state agency authorized to guarantee, approve, and oversee the issuance of debentures by the Connector;
- (7) Effectuating the Hawaii State Constitution reasonable reserve requirement by:
 - (A) Establishing a trust fund in the state treasury, known as the Hawaii Health Connector debenture guarantee trust fund, to serve as the reserve for all debentures guaranteed under this measure; and
 - (B) Inserting an unspecified appropriation out of the general fund, to be deposited into the Hawaii Health Connector debenture guarantee trust fund and specifying that this sum, when and if necessary, shall be expended by the Hawaii Hurricane Relief Fund for the purposes of this measure;
- (8) Amending the purpose section to include a statement of public purpose regarding the sale of debentures by the Connector and to reflect the updated purpose of this measure;
- (9) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1028, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1028, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 228 Hawaiian Affairs on S.B. No. 897

The purpose and intent of this measure is to appropriate funds to the Kaho'olawe Island Reserve Commission for the management, restoration, and preservation of the Kaho'olawe Island Reserve.

Your Committee received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Mayor of the County of Maui, County of Maui Department of Planning, Protect Kaho'olawe 'Ohana, Historic Hawai'i Foundation, Conservation Council for Hawai'i, Four Seasons Resort Maui, and twenty individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from two individuals.

Your Committee finds the need to support the financial viability of the Kaho'olawe Island Reserve Commission. In addition to appropriating funds, it is the Committee's hope that the Kaho'olawe Island Reserve Commission be able to emulate the models for areas such as the Northwestern Hawaiian islands, Hawaiian Islands Humpback Whale Marine National Sanctuary, Marae of New Zealand, and other similar models which utilize limited commercial activities to help the achieve financial sustainability.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language enabling the Kaho'olawe Island Reserve to be used for limited commercial activity for the purpose of generating revenue to support the rehabilitation and environmental restoration of the Kaho'olawe Island Reserve, and other purposes consistent with chapter 6K, Hawaii Revised Statutes;
- (2) Making the appropriation effective for the 2015-2016 fiscal year;
- (3) Amending the effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 897, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 897, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 229 (Joint) Hawaiian Affairs and Water and Land on S.B. No. 483

The purpose and intent of this measure is to provide that the Department of Hawaiian Home Lands may utilize Hawaiian home lands for the forestry of koa or native trees. This measure further allows the Department of Hawaiian Home Lands to enter into public-private partnerships with regard to implementing a forestry plan.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands, Department of Land and Natural Resources, and one individual. Your Committees received testimony in opposition to this measure from the Council for Native Hawaiian Advancement and three individuals.

Your Committees find that this measure would clarify that the Department of Hawaiian Home Lands can utilize Hawaiian home lands for forestry, something that it has in the past allowed through issuance of a license. Your Committees note the opposition to this measure by the Council for Native Hawaiian Advancement on the grounds that forestry is not a purpose enumerated in the Hawaiian Homes Commission Act. However, your Committees further note the testimony of the Department of Hawaiian Home Lands that the lands that would be used for forestry are lands that are not planned for residential usage.

Your Committees have amended this measure by:

- (1) Deleting section 1, which would have established a new section in chapter 183, part II, Hawaii Revised Statutes; and
- (2) Adding language to allow for forestry of koa and other native trees to section 204.5 of the Hawaiian Homes Commission Act, 1920, as amended.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 483, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 483, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 230 (Joint) Hawaiian Affairs and Water and Land on S.B. No. 786

The purpose and intent of this measure is to appropriate funds for the administration and operation of the Aha Moku Advisory Committee and for the Aha Moku Advisory Committee to do community outreach.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Association of Hawaii Civic Clubs, Ko'olau Foundation, Ko'olaupoko Hawaiian Civic Club, and seventeen individuals. Your Committees received testimony in opposition to this measure from Hui Ho'omalua i ka 'Aina and three individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs and three individuals.

Your Committees find that the Aha Moku Advisory Committee is the result of the tremendous effort and the political will of the Legislature. Since the inception of the Aha Moku Advisory Committee, funding has come from the Office of Hawaiian Affairs. Your Committees believe that the State must also provide funding for the administration and operation of the Aha Moku Advisory Committee.

Your Committees note that this measure requests \$120,000 for administration and operations and \$30,000 for community outreach; however, your Committees believe that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Accordingly, your Committees have amended this measure by:

- (1) Making the amounts of the appropriations blank; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 786, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 786, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 231 Human Services and Housing on S.B. No. 64

The purpose and intent of this measure is to amend the law relating to human services.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to appropriate monies for positions and the continued implementation of the preschool open doors program and for subsidies for the program.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 64, as amended herein, and recommends that it be recommitted to the Committee on Human Services and Housing, in the form attached hereto as S.B. No. 64, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 232 (Joint) Education and Higher Education and the Arts on S.B. No. 1348

The purpose and intent of this measure is to allow the University Laboratory School to conform its student enrollment profile to the standard prescribed by the University of Hawaii College of Education in order to meet the University of Hawaii College of Education's research requirements.

Your Committees received testimony in support of this measure from the University of Hawaii College of Education, University Laboratory School, Hawaii Public Charter Schools Network, and eighteen individuals. Your Committees received comments on this measure from the State Public Charter School Commission.

Your Committees find that the University Laboratory School admissions policy is implemented to provide an inclusive student population reflective of Hawaii's population by gender, family income, ethnicity, and school achievement, including English language learners and special needs students. The student population is chosen to reflect Hawaii's demographic makeup to enable research and development and to ensure generalizability of the innovations created within the University Laboratory School to Hawaii's public schools.

Your Committees further find that this measure is necessary to clarify that a public charter school enrollment preference for research and development purposes is acceptable.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1348 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Thielen, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 233 (Joint) Education and Higher Education and the Arts on S.B. No. 374

The purpose and intent of this measure is to:

- (1) Broaden current law to include all dual credit programs;
- (2) Expand the pool of eligible students to include ninth and tenth graders;
- (3) Allow for multiple assessments to be used to determine student eligibility; and
- (4) Appropriate funds to implement the dual credit program.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawaii System, University of Hawaii Office of the State Director for Career and Technical Education, Department of Education Office of District Superintendent Nanakuli-Waianae Complex Area, Kailua High School, Kohala High School, Waipahu High School, Kamehameha Schools, Hui for Excellence in Education, and fifty-six individuals. Your Committees received comments on this measure from two individuals.

Your Committees find that students who participate in dual credit programs are more likely to attend college and are more likely to earn a degree. The dual credit initiative may help Hawaii reach its goal to have fifty-five percent of working age adults hold a two- or four-year college degree by the year 2025. Dual credit programs help high school students understand that college is a possibility for them. The psychological blocks associated with being the first in a family to attend college, or rooted in a lack of encouragement or confidence can be alleviated through success in such a program. Even simply witnessing peers take college courses on a high school campus can give some students the confidence to follow suit.

Your Committees further find that expanding the pool of eligible participants to include private and home-schooled students provides desired services to those families who have not otherwise accessed the public school system.

Your Committees have amended this measure by:

- (1) Including students who are home-schooled or attend private schools among those eligible to participate in the dual credit program;
- (2) Requiring that qualifications for enrollment in the dual credit program be uniform across all campuses offering dual credit program courses; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 374, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 374, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Thielen, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 234 (Joint) Education and Judiciary and Labor on S.B. No. 1346

The purpose and intent of this measure is to amend the probationary period required of licensed charter school teachers, who are not tenured in the Department of Education, upon entering or returning to the Department of Education.

Your Committees received testimony in support of this measure from the Department of Education. Your Committees received comments on this measure from the State Public Charter School Commission, Hawaii State Teachers Association, and Hawaii Public Charter Schools Network.

Your Committees find that this measure provides necessary revisions to allow the Department of Education to align probationary requirements for all incoming teachers. It corrects the existing inequity that allows a licensed charter school teacher to enter or return to the Department of Education and gain tenure after only one year, whereas licensed Department of Education teachers must serve three years of probation. The three-year probationary period is necessary to provide sufficient time for principals to observe and support probationary teachers before awarding tenure.

As affirmed by the records of votes of the members of your Committees on Education and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1346 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 235 (Joint) Education and Judiciary and Labor on S.B. No. 822

The purpose and intent of this measure is to:

- (1) Require all public schools, excluding charter schools and multi-track public schools, to implement a school year that includes nine hundred ninety student hours in the 2015-2016 school year and all years thereafter;
- (2) Repeal the requirement that all public schools, excluding charter schools and multi-track public schools, implement a school year that includes one thousand eighty student instructional hours and one hundred eighty school days in the 2016-2018 school years; and
- (3) Clarify that the definition of "student instructional hours" shall be determined by the Board of Education in consultation with the exclusive representatives of the appropriate bargaining units.

Your Committees received testimony in support of this measure from the Hawaii Public Charter Schools Network, Hui for Excellence in Education, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii State Teachers Association, UNITE HERE Local 5, IMUAlliance, and forty-six individuals. Your Committees received comments on this measure from the Department of Education and three individuals.

Your Committees find that a defined number of required school days and hours is necessary to ensure that students across the state are receiving similar service throughout the public schools. Prior to the institution of a mandatory number of school days, it was found that schools held varying numbers of school days. The differences were substantial; with the difference between the school with the fewest number of days and the school with the greatest number of days being thirty-six school days.

Your Committees further find that absent a mandatory number of school days, it was possible to institute a furlough upon school personnel. The furlough, which resulted in the loss of seventeen school days, left many parents without childcare for their children and shortchanged students' instructional time. Mandating a number of school days also works to prevent another round of similar furloughs in the future.

Your Committees further find that schools are struggling to meet the student instructional hours required under section 302A-251, Hawaii Revised Statutes, within the framework of the current unit (5) collective bargaining agreement. Schools need flexibility, which can be found by relaxing the definition of "student instructional hours" and counting the entire school day toward the one thousand eighty hours required annually.

Your Committees have amended this measure by:

- (1) Reinstating the requirement of implementing a school year that includes one thousand eighty student instructional hours and one hundred eighty school days in the 2016-2018 school years;
- (2) Replacing all references to "student instructional hours" with "student hours"; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 822, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 822, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7; Ayes with Reservations (Chun Oakland). Noes, none. Excused, 2 (Dela Cruz, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 236 (Joint) Education and Judiciary and Labor on S.B. No. 819

The purpose and intent of this measure is to bar prohibition of student or class participation in a fundraiser or charitable activity in conjunction with a nonprofit organization as part of a school project when participation benefits student learning.

Your Committees received testimony in support of this measure from the Department of Education, IMUAlliance, and the Hawaii Public Charter Schools Network. Your Committees received testimony in opposition to this measure from the Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus; Rainbow Family 808; and one individual. Your Committees received comments on this measure from the Hawaii State Ethics Committee and American Civil Liberties Union of Hawaii.

Your Committees find that it is important for students and schools to partner with nonprofit community organizations to foster civic engagement and service learning. Student participation in fundraising or charitable activities promotes character education pursuant to Board of Education Policy 2109. Provided that the educational value of the endeavor is defined and carried out, and no student is pressured to participate, fundraising and charitable activities that are conducted in conjunction with nonprofit organizations give students opportunities to connect with the greater community while engaging in hands on learning experiences.

Your Committees have amended this measure by:

- (1) Adding language that requires the Department of Education to adopt reasonable, objective criteria pursuant to chapter 91, Hawaii Revised Statutes, for the selection of fundraising or charitable activities to ensure that such activities benefit student learning; and
- (2) Requiring that the criteria adopted by the Department of Education prohibits coercing or pressuring students or their families to participate in fundraising activities.

As affirmed by the records of votes of the members of your Committees on Education and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 819, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 819, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 237 Education on S.B. No. 1320

The purpose and intent of this measure is to establish a Hawaii Public Schools Financial Literacy Task Force.

Your Committee received testimony in support of this measure from the Hawaii Credit Union League and five individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that financial literacy is essential for economic success. Arming students with information about interest, credit, loans, budgets, bills, and other facets of personal finance will help students understand how to prioritize and meet financial goals. Many individuals don't learn about finances and managing money until they join the workforce, which often results in having to learn from their financial mistakes through trial and error which can be costly and time-consuming. Proactively educating students about finances may encourage them to get a head-start on savings, avoid financial pitfalls, and achieve financial success.

Your Committee has amended this measure by:

- (1) Adding clarifying language specifying that the Department of Education shall convene the initial meeting of the task force, at which time the chairperson shall be selected;
- (2) Reducing the number of task force members from eighteen to eleven;
- (3) Changing the composition of the task force to include one representative from the Department of Education; one representative from the Hawaii State Teachers Association; three individuals with experience as a teacher, vice-principal, or principal; three individuals from financial institutions; and three individuals to serve as at-large members;
- (4) Deleting the appropriation of funds to the Department of Education; and
- (5) Making the measure effective upon approval rather than on July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1320, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1320, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Thielen, Sлом).

SCRep. 238 Education on S.B. No. 900

The purpose and intent of this measure is to establish a State Seal of Biliteracy to be affixed to certificates of recognition awarded to graduating students who attain proficiency in English and at least one other language.

Your Committee received testimony in support of this measure from the Department of Health Office of Language Access; University of Hawaii System; University of Hawaii Office of the State Director for Career and Technical Education; University of Hawaii at Manoa Department of Indo-Pacific Languages and Literatures; University of Hawaii at Manoa Department of Second Language Studies; Kapiolani Community College Department of Languages, Linguistics, and Literature; Chamber of Commerce Hawaii; Enterprise Honolulu; Hawaii Educational Policy Center; Hawaii TESOL; Hawaii Association of Teachers of Japanese; Hawaii Association of Language Teachers; Alliance Francaise of Hawaii; Little Ambassadors; American Association of Teachers of French Hawaii Chapter; Aloha State Association of the Deaf; Gallaudet University Alumni Association of Hawaii; Hawaii Deaf Surfriders Association; American Council on the Teaching of Foreign Languages; Hawaii School for the Deaf and the Blind Alumni Club; Chinese Language Education Association of Hawaii; and thirty-four individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that proficiency in a foreign language is a valuable and marketable skill. It is also a skill that enables greater cultural awareness and understanding. The State Seal of Biliteracy will recognize the value of language proficiency whether the language was acquired in the home prior to learning English, through cultural immersion, or in the classroom. The State Seal of Biliteracy will recognize proficiency in world languages including American Sign Language.

Your Committee further finds that the State Seal of Biliteracy will recognize the value of first languages and encourage children of families who speak a language other than English in the home to be proud of their language skills, and to encourage further development of the first language and English. Such skills should be recognized as a personal achievement and as a marketable skill. State government, business, the tourism industry, and higher education all need multi-lingual speakers to meet the needs of their clients. Over time, the State Seal of Biliteracy will be a recognizable standard of language proficiency.

Your Committee further finds that establishing the State Seal of Biliteracy program would be complemented by the institution of a credit-by-exam initiative. Credit-by exam programs give students an opportunity to receive course credit by demonstrating proficiency in a subject area. Since the State Seal of Biliteracy would require such proof by means other than earning course credit, the Department of Education may consider a policy to award foreign language credit to those who earn the State Seal of Biliteracy.

Your Committee has amended this measure by:

- (1) Specifically including American Sign Language among the world languages for which the State Seal of Biliteracy may be awarded;
- (2) Adding language recognizing the importance of the world language resources that immigrant English language learner students bring to Department of Education schools;
- (3) Adding language to recognize and promote the continual development of the first languages of immigrant students as a means of achieving biliteracy;
- (4) Adding language to permit demonstration of a high level of proficiency in one or more languages other than English by demonstrating first language proficiency in speaking, listening, reading, and writing, in a language other than English, as certified by the student's high school to the superintendent; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 900, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 900, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Thielen, Sлом).

SCRep. 239 Education on S.B. No. 843

The purpose and intent of this measure is to:

- (1) Amend or repeal various provisions of chapter 302A, Hawaii Revised Statutes, as related to early childhood education, that fall under the purview of the Executive Office on Early Learning or are covered by another section of the Hawaii Revised Statutes; and
- (2) Amend various provisions of chapter 302L, Hawaii Revised Statutes, for housekeeping purposes.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Chamber of Commerce Hawaii, PHOCUSED, Hui for Excellence in Education, and three individuals.

Your Committee finds that amendments to the Hawaii Revised Statutes are necessary to relieve statutory requirements placed upon the Department of Education, and appropriately assign certain responsibilities to the Executive Office on Early Learning. This measure also authorizes the Executive Office on Early Learning to expend federal funds, and makes necessary clarifying amendments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 843 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 240 Education on S.B. No. 847

The purpose and intent of this measure is to attract national board certified teachers to teach in Title I schools, as designated under the federal Elementary and Secondary Education Act of 1965, as amended, or schools in a focus, priority, or Superintendent's zone, or other similar designation, as determined by the Department of Education through the Teacher National Board Certification Incentive Program.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Hui for Excellence in Education Coalition, and IMUAlliance.

Your Committee finds that national board certified teachers are among the most highly trained and committed educators. Obtaining national board certification is a rigorous process that requires ongoing professional reflection. The State recognizes all public school teachers with national board certification with a yearly \$5,000 bonus.

Your Committee further finds that recruiting teachers for struggling schools is difficult, but often, such schools are the ones that benefit the most from an infusion of highly skilled teachers. Incentivizing national board certified teachers who teach in Title I schools or schools in a focus, priority, or Superintendent's zone, or other similar designation will encourage national board certified teachers to work in those schools. Such high quality teachers will likely work to help raise schools out of a low performing or at risk status. When this occurs, teachers should be rewarded with a continued bonus for the remainder of their certification period to recognize the teacher's contributions and to encourage the teacher to remain at the school for some time to continue the practices that helped raise school performance.

Your Committee has amended this measure by:

- (1) Specifying that all components of the certification program of the National Board for Professional Teaching Standards must be complete to qualify for the national board certification incentive program's \$1,500 incentive;
- (2) Adding Title I schools to the list of schools where a national board certified teacher may work to receive an additional yearly \$5,000 bonus; and
- (3) Adding an additional \$5,000 bonus per year for any public school teacher who received a yearly bonus for teaching at a school in a focus, priority, or Superintendent's zone, or other similar designation as determined by the Department of Education; a school with a high turnover rate, as determined by the Department; a Title I school; or a hard-to-fill school, as determined by the Department, maintains national board certification, and continues teaching at that school after it is no longer so designated; and specifying that this bonus continues until the end date of the teacher's national board certification in effect at the time the school lost its designation, or until the teacher is no longer employed at the school, whichever occurs first.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 847, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 847, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Dela Cruz).

SCRep. 241 (Joint) Government Operations and Economic Development and Technology and Energy and Environment on S.B. No. 1295

The purpose and intent of this measure is to:

- (1) Encourage efficiency by authorizing the Natural Energy Laboratory of Hawaii Authority and Department of Business, Economic Development, and Tourism to enter into inter-agency agreements for the purposes of coordinating resources, eliminating unnecessary duplication, and effectuating the purposes of chapters 201 and 227D, Hawaii Revised Statutes; and
- (2) Incentivize the research, development, and commercialization of renewable energy technology in Hawaii by allowing these business activities to qualify a business for incentives under the state enterprise zones program.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Natural Energy Laboratory of Hawaii Authority.

Your Committees find that it is important to promote efficiency in government. Providing state agencies with a framework for coordinating resources and eliminating waste is an important step toward saving money that can be more productively used elsewhere.

Your Committees further find that research, development, and commercialization of renewable energy technology in Hawaii should be incentivized. Renewable energy technology is important for Hawaii's economy as it generates demand for jobs in science and engineering and promises to produce clean energy that will help Hawaii gain greater independence from oil for energy production.

As affirmed by the records of votes of the members of your Committees on Government Operations, Economic Development and Technology, and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1295 and recommend that it pass Second Reading and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Economic Development and Technology

Ayes, 4. Noes, none. Excused, 3 (Baker, Espero, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 242 (Joint) Government Operations and Economic Development and Technology on S.B. No. 523

The purpose and intent of this measure is to:

- (1) Authorize the Governor to establish a Statewide Fair Access Commission;
- (2) Require the Statewide Fair Access Commission and the Joint Legislative Access Committee to review, evaluate, and make recommendations for improving the level of access by neighbor island and rural Oahu residents to proceedings, information, and services of government; and
- (3) Appropriate funds to carry out the work of the Statewide Fair Access Commission.

Your Committees received testimony in support of this measure from the Office of Information Management and Technology. Your Committees received comments on this measure from the League of Women Voters of Hawaii.

Your Committees find that public access to government is fundamental to the democratic process. Due to the State's geography and the fact that most government functions are clustered in the urban core of Honolulu, it is necessary to go to additional lengths to ensure access to state government by residents of Kauai, Maui, and Hawaii Counties.

Your Committees have amended this measure by:

- (1) Clarifying that the Governor is responsible for fair access to the Executive Branch of government;
- (2) Clarifying that the Statewide Fair Access Commission would address public access to the Executive Branch of government;
- (3) Replacing the terms "audio and video broadcasts" with the terms "electronic broadcasts and on-demand electronic recordings";
- (4) Deleting the proviso concerning Judiciary determination of which Judiciary records are not subject to public disclosure; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 523, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 523, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Economic Development and Technology

Ayes, 4. Noes, none. Excused, 3 (Baker, Espero, Slom).

SCRep. 243 Government Operations on S.B. No. 165

The purpose and intent of this measure is to establish the Department of Accounting and General Services as the department responsible for negotiating and processing leases for state departments.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii and Building Industry Association Hawaii. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services, Department of Land and Natural Resources, Department of Transportation, and University of Hawaii System.

Your Committee finds that leadership among state departments is necessary to effectuate proper planning, development, and use of state property. A broad perspective that takes into account state properties controlled by various departments and agencies is vital to thoughtful and effective development. Such planning is especially needed in the area of transit-oriented development, as the State is the largest owner of land along the rail line. With its experience in certain lease negotiations, the Department of Accounting and General Services is an appropriate agency to take the lead in coordinating leases of state property controlled by all state agencies and departments.

Your Committee further finds that the intent of this measure is that no state land upon which a facility rests be sold to a private investor.

Your Committee has amended this measure by:

- (1) Deleting the words "private real property" from language requiring the Department of Accounting and General Services to be responsible for leases for departments and agencies of the State;

- (2) Adding language requiring the Department of Accounting and General Services to facilitate facility agreements between the State and private investors, and further requiring that the agreements include the following requirements:
 - (A) The State shall sell the facility to the private investor, who shall renovate, improve, or construct a facility for the State, maintain the facility, and lease the facility to the State, pursuant to a building lease; and
 - (B) The State shall have the option of purchasing the facility from the private investor for the remaining balance of the debt service costs incurred by the private investor at any time;
- (3) Adding necessary definitions;
- (4) Authorizing the Department of Accounting and General Services to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, for the implementation of facility agreements;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 165, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 165, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 244 (Joint) Government Operations and Commerce and Consumer Protection on S.B. No. 1186

The purpose and intent of this measure is to:

- (1) Expand the definition of “personal information” as used in chapter 487N, Hawaii Revised Statutes; and
- (2) Impose additional notice requirements upon businesses that own or license personal information of residents of Hawaii, businesses that conduct business in Hawaii that own or license personal information in any form, and any government agency that collects personal information for specific purposes regarding notification of any security breach to affected persons.

Your Committees received testimony in support of this measure from the Judiciary. Your Committees received testimony in opposition to this measure from the Hawaii Information Consortium. Your Committees received comments on this measure from the Office of Information Management and Technology, Office of Information Practices, Consumer Data Industry Association, American Council of Life Insurers, and State Privacy and Security Coalition, Inc.

Your Committees find that information security is a growing concern as personal information is increasingly available through various modes of technology. Laws related to security breaches of personal information require some flexibility to provide for police investigation of the breach and to require adequate notice to affected persons. They must also be tailored in a way that does not inhibit businesses and government entities from using efficient means of doing business, while protecting consumers in the event of a breach.

Your Committees have amended this measure by:

- (1) Clarifying the definition of “personal information” relative to health insurance information;
- (2) Clarifying the definition of “personal information” relative to an online user name, electronic mail address, or social media user name or account;
- (3) Deleting the requirement that notification be made no later than forty-five days following the determination of the breach;
- (4) Deleting the prohibition against providing affected persons notice of a security breach through electronic mail in the event that the security breach involved personal information including the login credential of an electronic mail account; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1186, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1186, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 245 Public Safety, Intergovernmental and Military Affairs on S.B. No. 677

The purpose and intent of this measure is to provide the Mayor of each county with the authority to remove the respective county Chief of Police for good and just cause.

Your Committee received testimony in support of this measure from the Hawaii State Coalition Against Domestic Violence, IMUAlliance, and three individuals. Your Committee received testimony in opposition to this measure from three individuals.

Your Committee finds that the public's trust in the county police departments must be restored. Implementation of this measure will encourage greater accountability within each of the county police departments and strengthen the public's trust in law enforcement.

Your Committee has amended this measure by requiring the Mayor of each county to have the approval of the Police Commission in order to remove the respective county Chief of Police for good and just cause.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 677, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 677, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 246 Public Safety, Intergovernmental and Military Affairs on S.B. No. 771

The purpose and intent of this measure is to:

- (1) Require law enforcement officers and officers of justice to request and obtain a person's voluntary and informed consent prior to conducting a search of the person, the person's belongings, the person's residence, or the person's vehicle when conducting the search without a search warrant; and
- (2) Provide an exception for law enforcement officers or officers of justice who have probable cause to believe that a person is armed and presents a danger to the officer's safety.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons and Hawaii Association of Criminal Defense Lawyers. Your Committee received testimony in opposition to this measure from the Department of Public Safety, Honolulu Police Department, County of Hawaii Police Department, Hawaii Innocence Project, and two individuals.

Your Committee finds that many people in the State are unaware of their rights when interacting with law enforcement officers. A specific area of concern is a law enforcement officer's power to search a person without a search warrant. The legal validity of purported consents to search is an often litigated issue in criminal cases. Implementation of this measure will protect law enforcement officers from false claims of wrongdoing and ensure the efficiency and effectiveness of the State's criminal justice system.

Your Committee has amended this measure by:

- (1) Expanding the exception for law enforcement officers or officers of justice to include a search that is constitutionally justified by another precise, well-established and judicially approved exception to the search warrant requirement; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 771, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 771, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 247 (Joint) Public Safety, Intergovernmental and Military Affairs and Health on S.B. No. 1130

The purpose and intent of this measure is to:

- (1) Amend involuntary medical treatment criteria to include an inmate or detainee who poses a danger of physical harm to others;
- (2) Define "danger of physical harm to others" and "danger of physical harm to self";
- (3) Allow for a declaration to be filed with the petition as an alternative to an affidavit for the initiation of a proceeding for involuntary medical treatment;
- (4) Authorize the court to appoint a guardian ad litem or a temporary guardian to represent a person, if the person is unable to participate, at any point during the proceedings and after the filing of the petition;
- (5) Amend the time requirement for filing a court order for medical treatment from a period of within two days of an examination of the person to within five days;
- (6) Amend the list of persons who must be notified of the hearing on petition for involuntary medical treatment to either the person's legal guardian or emergency contact listed;
- (7) Clarify the effective expiration date of the order for persons who return to custody after release; and
- (8) Authorize the extension of an existing involuntary treatment order if certain criteria are met.

Your Committees received testimony in support of this measure from the Department of the Attorney General and Department of Public Safety.

Your Committees find that an efficient and responsive court process enables medical staff at correctional facilities to provide critical and necessary medical treatment. Timely medical treatment results in the improved mental and physical condition of inmates and

detainees. Implementation of this measure addresses necessary modifications to the process of petitioning for involuntary medical treatment orders for inmates and detainees in the custody of the Department of Public Safety.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1130 and recommend that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 248 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1335

The purpose and intent of this measure is to define “custody”, as used in the offense of sexual assault in the third degree, to mean a person who is stopped by or under the control of a law enforcement officer for official purposes, including but not limited to a law enforcement officer making a traffic stop and requesting any identification, license, or registration.

Your Committee received testimony in support of this measure from the Department of Public Safety, IMUAlliance, Remington College Criminal Justice Student Coalition, and three individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that there was a recent incident in which a Honolulu police officer was indicted on a third-degree sexual assault charge for knowingly subjecting a teenage girl in custody, as a result of a traffic stop, to sexual contact. However, the indictment against the officer was dismissed with prejudice due to the court’s interpretation of “custody” in section 707-732, Hawaii Revised Statutes. This measure seeks to provide the courts with clarification on how “custody” is to be interpreted under section 707-732, Hawaii Revised Statutes. Implementation of this measure will further public safety by prohibiting law enforcement officers from knowingly subjecting to sexual contact a person in custody, including during traffic stops.

Your Committee has amended this measure by:

- (1) Inserting a purpose section to provide the intent and purpose of the measure;
- (2) Amending the definition of “custody” to “person in custody” and clarifying the definition; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1335, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1335, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 249 Water and Land on S.B. No. 263

The purpose and intent of this measure is to appropriate funds for the replenishment of the beach at Ke‘ehi Lagoon Beach Park.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Na Opio Canoe Racing Association, Na Ohana O Na Hui Wa‘a, and three individuals.

Your Committee finds that the beach at Ke‘ehi Lagoon Beach Park has deteriorated. Over time, the sand has disappeared and jagged rocks and asphalt now protrude, creating dangerous conditions for the children and youth who come for canoe racing practices and competitions. This community attraction is no longer safe for people to enjoy or engage in recreational activities.

Your Committee further finds that Ke‘ehi Lagoon Beach Park is an urban beach park managed by the City and County of Honolulu that has been a popular place for canoe racing and boating for many years. Although the man-made beach is not suitable for swimming, it is an extremely valuable location to the canoe racing and boating community. As the home to countless practice sessions and many outrigger canoe regattas, the Ke‘ehi Lagoon has touched the lives of thousands of Hawaii’s children and youth throughout the years and is a community resource that should be cherished and maintained for many years to come.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 263 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Slom).

SCRep. 250 Water and Land on S.B. No. 886

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for a capital improvement project to design and construct a new small boat harbor in Puko‘o, Moloka‘i.

Your Committee received testimony in support of this measure from three individuals. Your Committee received testimony in opposition to this measure from Ka ‘Aha Kiole o Moloka‘i and ten individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the island of Moloka'i continues to have discussions on whether a new small boat harbor and/or boat ramp is needed. The construction of such resources would be beneficial for residents of that island, particularly those living on the populated east end of Moloka'i. Due to shallow mud flats and fringing reefs, there are few areas with sufficiently deep channels for safe and easy marine access.

Your Committee further finds that most families on the east end of Moloka'i rely on the sea for their daily source of food. Today, with fewer edible food resources close to shore, fishermen are forced to travel farther out to sea to catch fish.

Your Committee further finds that some of the testifiers expressed the need for more community input into the process of developing a new harbor.

Your Committee has amended this measure by:

- (1) Amending the purpose of the authorization for the issuance of general obligation bonds to the planning, design, and construction of a new boat ramp on Moloka'i and conducting of a feasibility study for a new small boat harbor to be located in Puko'o, Moloka'i; and
- (2) Amending the purpose section accordingly.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 886, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 886, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 251 Water and Land on S.B. No. 718

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and to appropriate funds for the Lahaina flood control project as a match to an appropriation by the County of Maui of not less than \$2,540,000 or twenty percent of the estimated cost of the project.

Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that public safety continues to be a major priority for the State and that the completion of the final stage of the Lahaina flood control project will help prevent stormwater from inundating major portions of Lahaina town. The final stage of the project consists of constructing a mile-long diversion channel, incorporating four sediment basins, and a debris basin. The flood control project will reduce the amount of sediment discharged into the ocean and on coral reefs, protecting these fragile ecosystems and preserving Hawaii's reputation as a top tourist destination.

The intent of your Committee is to reduce the repetitive flooding of residents and businesses in Lahaina and to reduce the constant drain on city, state, and federal resources whenever a flood occurs by securing funds, as a match to an appropriation by the County of Maui, to finish the Lahaina flood control project in its last and most critical stage.

Your Committee has amended this measure by:

- (1) Clarifying that the Lahaina flood control project shall be owned and managed by the County of Maui;
- (2) Changing the expending agency to the county of Maui, as they are funding a portion of the project but will be responsible for the complete design and construction of the entire project;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 718, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 718, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 252 Water and Land on S.B. No. 525

The purpose and intent of this measure is to require the Commission on Water Resource Management to consist of at least one member representing each county who is a resident of that county.

Your Committee received testimony in support of this measure from the Hawaii Hunting Association; The Society for Hawaii Heritage Animals; Kona-Kohala Chamber of Commerce; and three individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee notes that the Department of Land and Natural Resources testimony in opposition was based on the concern that the requirement concerning geographical representation in this measure would come at the expense of the requirement that all Commissioners have substantial experience in water management. The Department of Land and Natural Resources' representative at the hearing, who has been employed by the Commission on Water Resource Management since 1989, acknowledged that a number of Commissioners have lived on the neighbor islands and served with distinction.

Your Committee agrees that it is critical for members of the Commission on Water Resource Management to have substantial experience in the area of water resource management, but felt that it is possible to find such members on each of the various islands of the State.

Your Committee has amended this measure by:

- (1) Requiring the Commission on Water Resource Management to consist of at least one member representing each county who is a resident of that county and who also has substantial experience in the area of water resource management;
- (2) Clarifying that geographic appointments to the Commission on Water Resource Management shall be phased in as vacancies occur; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 525, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 525, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 253 Water and Land on S.B. No. 502

The purpose and intent of this measure is to make an appropriation to the Division of Conservation and Resources Enforcement for personnel services, current expenses, equipment, and motor vehicles.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, The Nature Conservancy of Hawai'i, Hawaii Hunting Association, Kua'aina Ulu 'Auamo, Humane Society of the United States, and ten individuals. Your Committee did not receive any testimony in opposition to this measure.

Your Committee finds that the Division of Conservation and Resources Enforcement's budget was significantly cut during the economic recession. The Division has not yet restored the non-personnel operating funds that are essential to properly train, equip, and protect law enforcement officers. Consequently, the Division has been unable to fill vacant officer positions due to a lack of ability to fund start-up costs to support enforcement personnel, including in-service training expenses, operating supplies, office furniture, utility expenses, broadband capabilities, and computers and printers.

Your Committee further finds that the lack of sufficient non-personnel operational funding has left the Department unable to safeguard officers and enable them to effectively and efficiently enforce laws and regulations, including through the provision of uniforms, body armor, duty gear, telecommunications, training and travel, mobile and portable radios, laptop computers, miscellaneous equipment, rifles and shotguns, emergency lights and sirens, night vision goggles, and vehicle and vessel fuel, oil, maintenance, and repair.

Your Committee further finds that the vastness of the geography and diversity of the terrain on each island make it very challenging for the Department of Land and Natural Resources to perform its responsibilities and obligations to each island. Compounding the challenges is the fact that over the years the Department of Land and Natural Resources has acquired thousands of acres of new land and numerous statutory and regulatory responsibilities to police, without a commensurate increase in the size of enforcement abilities.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 502, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 254 (Joint) Water and Land and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1021

The purpose and intent of this measure is to remove the public funds restriction and appropriates general funds for construction of the state law enforcement memorial.

Your Committees received testimony in support of this measure from the Department of Public Safety and Honolulu Police Department.

Your Committees find that Act 14, Session Laws of Hawaii 2011, requires that a state law enforcement memorial be constructed in the Capitol district. This memorial will honor law enforcement officers from city, county, state, military, and federal agencies who have died in the line of duty, while serving the people of Hawaii. The Hawaii Law Enforcement Memorial Foundation has raised \$500,000 toward construction of the memorial and has selected a design for the memorial. This measure will enable construction to commence.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1021 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 255 (Joint) Water and Land and Transportation on S.B. No. 1251

The purpose and intent of this measure is to:

- (1) Establish a Transit Oriented Development Coordinator position within the Office of Planning; and
- (2) Make an appropriation to establish the Transit Oriented Development Coordinator position.

Your Committees received testimony in support of this measure from the Office of Planning and one individual.

Your Committees find that the State owns a number of parcels of land along the Oahu rail route and would greatly benefit from having a specialized planner to work with various state agencies who manage lands to coordinate with the Office of Planning. Your Committees further find that the Office of Planning is the appropriate agency to house a planner with specialized expertise in transit oriented development projects to coordinate and develop the State's transit oriented development strategy.

As affirmed by the records of votes of the members of your Committees on Water and Land and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1251 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

Transportation
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Kidani, Kouchi, Slom).

SCRep. 256 Agriculture on S.B. No. 224

The purpose and intent of this measure is to create an exclusion from income tax for the first \$50,000 of income earned by new, small, and diversified farming businesses.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and one individual. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the two largest trade imbalances in the State are in the areas of energy and agriculture. Over the past few years, Hawaii has been addressing its over-reliance on imported fossil fuel and now needs to address the imbalance in agricultural trade by significantly expanding local food production. Your Committee further finds that the growth of small, diversified farming businesses will add to and diversify Hawaii's economy and help redress the imbalance in agricultural trade.

Your Committee also finds, as raised in testimony, that many farmers in Hawaii receive income from non-food production and therefore a large number may not qualify for the tax credit in this measure under the current definitions.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the terms "family farm", "family farm community", and "family farm cooperative" with the term "farmer";
- (2) Defining "farmer" as an individual with seventy-five per cent of annual gross income earned from farm products sold within the State;
- (3) Requiring a farmer to have an annual gross income of \$200,000 or less to qualify for the tax credit; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 224, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 257 (Joint) Agriculture and Judiciary and Labor on S.B. No. 375

The purpose and intent of this measure is to authorize industrial hemp to be grown for purposes of research conducted under an agricultural pilot program or other agricultural or academic research by an institution of higher education or by others acting under specific agreement with and under the authority of the Hawaii Department of Agriculture.

Your Committees received testimony in support of this measure from the University of Hawaii System, Hawaii Farm Bureau, Hawaii Farmers Union United HTFG, Maui Cattlemen's Association, Maui Farmers Union United, Green Futures, Hawaii Farmers Union United, CannaCure LLC, and eighty-one individuals. Your Committees received testimony in opposition to this measure from the Honolulu Police Department. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that modern production methods have utilized hemp oilseed to make high-grade food and beauty products and the hemp stalk fiber and cellulose to make everything from automotive parts and fine clothing to building materials and fuel. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products in the United States have grown steadily since 1990 to more than \$580,000,000 annually in 2013. Additionally, the intermediate processing of hemp seed, oil, food

ingredients, and fiber could create jobs in close proximity to the fields of cultivation. As raised in testimony, cultivation of hemp could lead to a renaissance of activity in Hawaii.

Your Committees further find that support for industrial hemp farming is occurring at the national level. California, Colorado, Delaware, Hawaii, Illinois, Indiana, Kentucky, Maine, Montana, Nebraska, North Dakota, Oregon, South Carolina, Tennessee, Utah, Vermont, Washington, and West Virginia have defined industrial hemp as a distinct agricultural crop and removed barriers to its production. Furthermore, President Obama signed the 2014 Farm Bill into law, which authorizes industrial hemp research and pilot programs in states that regulate hemp farming under the authority of the state department of agriculture. Farmers and universities in Colorado, Kentucky, and Vermont have already planted hemp crops to conduct pilot programs after registering with their state department of agriculture.

Your Committees have amended this measure by amending the definition of “industrial hemp”.

As affirmed by the records of votes of the members of your Committees on Agriculture and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 375, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 375, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 258 Higher Education and the Arts on S.B. No. 1144

The purpose and intent of this measure is to clarify the application of the State Ethics Code to allow technology transfer activities sponsored by the University of Hawaii so long as the activities are likely to create specific benefits to the State or the public, notwithstanding the simultaneous creation of a commercial benefit or individual personal benefit.

Your Committee received testimony in support of this measure from the University of Hawaii System. Your Committee received testimony in opposition to this measure from Hawaii State Ethics Commission

Your Committee finds that it is a matter of statewide concern to support the contributions by the University of Hawaii to the economic health and diversification of the State. The legislature further finds that the timely and efficient commercialization of intellectual property created by basic and applied research at the University of Hawaii benefits the public. Efficient and effective technology transfer, however, may be hampered by overly broad interpretation of general conflict of interest, fair treatment, and employment restrictions contained in the State Ethics Code.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1144, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1144, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 259 Higher Education and the Arts on S.B. No. 194

The purpose and intent of this measure is to establish the Hawaii Commission on African American History and Culture to recognize the contributions of the African American people in Hawaii and educate residents and visitors to the State about these contributions.

Your Committee received testimony in support of this measure from the Hawaii State Foundation on Culture and the Arts and one individual.

Your Committee finds that since the arrival of the first African Americans in Hawaii between 1778 and 1850, the African American people have contributed significantly to all phases of Hawaii’s development. The rich culture and proud heritage of the African American people have been and continue to be positive influences upon life in Hawaii. However, little is known or preserved due to a lack of understanding and racial divides. Recognition of the contributions of the African American people and their culture is important to the promotion and awareness of Hawaii’s diverse and multicultural society.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 194, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 260 Higher Education and the Arts on S.B. No. 160

The purpose and intent of this measure is to address particular recommendations concerning non-general funds of the University of Hawaii as set forth in Auditor Report No. 14-18, dated December 2014.

Your Committee received testimony in support of this measure from the Office of the Auditor and University of Hawaii System. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that timely review and consideration of the University of Hawaii's special funds facilitates the efficient and effective use of State funds, and that each non-general fund continues to serve the purpose for which it was created. This measure reclassifies special funds that are essential to their respective program areas while repealing those found to be no longer necessary or not meeting the criteria for continuance under law.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 160, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 160, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 261 Higher Education and the Arts on S.B. No. 1177

The purpose and intent of this measure is to appropriate funds for the establishment of four full-time equivalent (4.0 FTE) positions at the State Foundation on Culture and the Arts.

Your Committee received testimony in support of this measure from the Hawaii Arts Alliance and one individual. Your Committee received comments on this measure from the State Office of the Auditor and the State Foundation on Culture and the Arts.

Your Committee finds that the State Foundation on Culture and The Arts currently lacks an adequate number of staff personnel to promptly and thoroughly respond to and complete requested services relating to works of art projects in new State construction. This measure will resolve this issue by appropriating funds to hire additional staff.

Your Committee has amended this measure by changing the source of funds for the appropriation from general funds to the Works of Art Special Fund.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1177, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1177, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 262 (Joint/Majority) Higher Education and the Arts and Judiciary and Labor on S.B. No. 638

The purpose and intent of this measure is to allow graduate students of the University of Hawaii to engage in collective bargaining.

Your Committees received testimony in support of this measure from the University of Hawaii Professional Assembly, University of Hawaii Graduate Student Organization, University of Hawaii Student Caucus, Hawaii State AFL-CIO, UNITE HERE Local 5, and twenty-six individuals. Your Committees received testimony in opposition to this measure from the Office of Collective Bargaining, University of Hawaii System, and one individual.

Your Committees find that graduate students provide invaluable service in their employed positions of research and instruction. This service is critical to the continued success of the University of Hawaii. Despite the valued nature of their work, these students are often paid inadequate wages and are statutorily barred from engaging in collective bargaining as a means by which to improve their wages and standard of living.

Your Committees further find that graduate students earn an annual wage that is in the lowest ten percent of the nation, which is particularly significant when this low wage is considered in conjunction with the higher costs of living in Hawaii than elsewhere in the nation.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 638 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Kidani, Wakai).

Judiciary and Labor

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Espero).

SCRep. 263 (Joint) Higher Education and the Arts and Agriculture on S.B. No. 377

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and to appropriate funds for a food innovation center that shall be operated by Kapiolani Community College for the purpose of utilizing processing-grade, locally grown farm products to manufacture prepared meals in a large-scale kitchen.

Your Committees received testimony in support of this measure from the Department of Agriculture, University of Hawaii System, High Technology Development Corporation, Kauai Chamber of Commerce, Hawaii Farm Bureau Federation, Hawaii Farmers Union United, Pioneering Healthier Communities-Honolulu, 'Ai Pohaku, Hawaii Island School Garden Network, Maui Cattlemen's Association, Laakea Community LLC, and twenty-five individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that agriculture is one of the three major state industries due to the fertile land statewide that is capable of producing high-quality farm products. Due to the absence of a large-scale food manufacturing industry in Hawaii, between ten percent and thirty percent of second-grade or processing-grade farm products are not ultimately sold commercially or otherwise exchanged for profit. This loss of revenue has the potential to deeply impact the state economy currently and in the future. Accordingly, the innovative pilot kitchen to be installed at Kapiolani Community College for the preparation, analysis, and processing of food would provide a solid foundation of projected industry trends, food hubs, and the increased demand in the future for food and food-related jobs.

Your Committees have amended this measure to make technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 377, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 377, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Slom).

SCRep. 264 Higher Education and the Arts on S.B. No. 369

The purpose and intent of this measure is to exempt adoption of selected regulations by the University of Hawaii Board of Regents from chapter 91, Hawaii Revised Statutes, and require adoption of selected regulations to be subject to chapter 92, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the University of Hawaii System. Your Committee received testimony in opposition to this measure from the League of Women Voters.

Your Committee finds that, under current law, the University of Hawaii must adopt rules pursuant to chapter 91, Hawaii Revised Statutes for particular programs and operations, such as the operation and management of equipment and inventory, and the administration of named scholarships. The University of Hawaii Board of Regents is also required, under current law, to comply with the requirements of chapter 92, Hawaii Revised Statutes, to conduct open public meetings and provide opportunity for testimony and comment on matters listed on a meeting agenda prior to decision making by the Board of Regents.

Your Committee also finds the complex and numerous requirements of the University set forth in chapters 91 and 92, Hawaii Revised Statutes, are often duplicative and pose a significant obstacle to the University's ability to efficiently and promptly respond and resolve issues for which the University is responsible.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 369, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 369, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 265 (Joint) Higher Education and the Arts and Agriculture on S.B. No. 314

The purpose and intent of this measure is to appropriate monies for critical staff positions in the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service.

Your Committees received testimony in support of this measure from the Department of Agriculture; University of Hawaii System; Kauai County Council; Hawaii Farm Bureau; Hawaii Farmers Union United; Kauai Chamber of Commerce; Kauai County Farm Bureau; Kauai Kunana Dairy; Hawaii Island School Garden Network; Maui Cattlemen's Association; Laakea Community LLC; 'Ai Pohaku; DuPont Pioneer; Hawaii Floriculture and Nursery Association; Hawaii Cattlemen's Council, Inc.; and thirty-five individuals.

Your Committees find that the University of Hawaii College of Tropical Agriculture and Human Resources is in critical need of personnel for its cooperative extension service to improve and strengthen Hawaii's sustainability in agriculture through educational programs. The College houses a cooperative extension service that partners with federal, state, and county governments, with the responsibility to provide science-based information and education programs in agriculture, natural resources, and human resources.

The extension offices are located throughout the State, with roughly twenty-five extension agents statewide. The cooperative extension service provides valuable tools that the public can use to strengthen communities and sustain Hawaii's agricultural economy. Extension personnel provide various services to the communities within each county, ranging from individual consultations,

educational workshops, and short courses on relevant subjects, including agriculture, home economics, family living, 4-H and other youth activities, nutrition, and health.

Your Committees further find that over the past twenty years the College of Tropical Agriculture and Human Resources Cooperative Extension Service has experienced a forty-three percent decrease in extension agents who service the various counties, including a twenty-seven percent decrease since 2008. The College requires an infusion of personnel and support to maintain a viable academic program and strong infrastructure for the University System.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 314 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Slom).

SCRep. 266 (Joint) Energy and Environment and Commerce and Consumer Protection on S.B. No. 1214

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.

Your Committees received testimony in support of this measure from Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that multi-project capital improvement projects and programs to provide electric energy are in the public interest. Implementation of this measure authorizes the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc., in financing multi-project capital improvement projects and programs that will benefit public health, safety, and welfare.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1214 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Wakai, Slom).

SCRep. 267 (Joint) Energy and Environment and Commerce and Consumer Protection on S.B. No. 1050

The purpose and intent of this measure is to establish the Hawaii community-based renewable energy program to make the benefits of renewable energy more accessible to a greater number of Hawaii residents.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Public Utilities Commission, Hawaii Green Growth, Ulu pono Initiative, Environmental Caucus of the Democratic Party of Hawaii, Blue Planet Foundation, Americans for Democratic Action, Hawaii Energy Renewable Alliance, Hawaii Solar Energy Association, Clean Energy Collective, and twenty-one individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; and Hawaiian Electric Company, Inc.

Your Committees find that localized renewable energy generation has become increasingly attainable for all types of customers over the past several years. However, despite the rise in statewide residential solar energy use, many individuals and households are currently unable to directly participate in renewable energy because of their location, building type, access to the electric utility grid, and other impediments. Implementation of this measure will create a community-based renewable energy tariff structure that will increase access to renewable generation.

Your Committees have amended this measure by:

- (1) Clarifying that only an electric utility or the Public Utilities Commission may propose a community-based renewable energy tariff or tariffs;
- (2) Requiring the Public Utilities Commission, in establishing the community-based renewable energy tariff or tariffs, to consider various mechanisms to achieve an appropriate cost and benefit balance for participating and nonparticipating ratepayers;
- (3) Requiring a project equal to or less than one megawatt in size to be subject to streamlined and standardized interconnection approval processes established by the Public Utilities Commission;
- (4) Clarifying that all electric utility customers, irrespective of rate class, receive compensation equal to their pro rata share of interest in a portion or portions of an eligible renewable energy project that is providing electricity to the electric utility;

- (5) Eliminating the provision that nothing in the language proposing to establish the tariff system shall be construed to permit wheeling;
- (6) Eliminating the definition of “wheeling”; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1050, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1050, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Wakai, Slom).

SCRep. 268 (Joint) Energy and Environment and Water and Land and Public Safety, Intergovernmental and Military Affairs on S.B. No. 500

The purpose and intent of this measure is to require that any environmental assessments and environmental impact statements for any major infrastructure improvement project or major construction project in any coastal lands include an analysis of the environmental impact of projected sea level rise over the anticipated lifespan of the project.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Office of Environmental Quality Control, Office of Planning, University of Hawaii System, Conservation Council for Hawaii, and four individuals. Your Committees received testimony in opposition to this measure from the Department of Design and Construction of the City and County of Honolulu, Building Industry Association of Hawaii, Chamber of Commerce Hawaii, and three individuals.

Your Committees find that state construction projects in special management areas are environmentally precarious. It is essential to take impacts related to projected sea level rise into account during the planning stage in order to protect current infrastructure investments over time. Implementation of this measure will reduce hazards and minimize costly adaption measures.

Your Committees have amended this measure by:

- (1) Replacing “sea level change” with “sea level rise”, “coastal lands” with “special management area”, and “projected sea level rise or fall” with “projected sea level rise”;
- (2) Clarifying that beginning July, 1, 2016, an environmental assessment or environmental impact statement may include an analysis of the environmental impact of projected sea level rise over the anticipated lifespan of the project;
- (3) Requiring the Office of Environmental Quality Control to work with the Hawaii Coastal Zone Management Program and relevant state agencies to provide guidance documents concerning ecological and environmental problems related to the development of the coastal zone management area;
- (4) Amending the definition of “major” to mean any project having an anticipated estimated value exceeding \$3,000,000; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Water and Land, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 500, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 500, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 269 Public Safety, Intergovernmental and Military Affairs on S.B. No. 473

The purpose and intent of this measure is to:

- (1) Codify federal law to allow active and retired law enforcement officers to carry a concealed firearm in Hawaii pursuant to the federal Law Enforcement Officers Safety Act; and
- (2) Make conforming amendments to state firearm laws.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Institute for Rational and Evidence-based Legislation, Society for Hawaii Heritage Animals, Hawaii Hunting Association, North Pacific Firearms, Hawaii

Rifle Association, Lessons in Firearms Education, and fifty-eight individuals. Your Committee received testimony in opposition to this measure from the Domestic Violence Action Center. Your Committee received comments on this measure from the Department of the Prosecuting Attorney County of Maui, Maui Police Department, and one individual.

Your Committee finds that the Law Enforcement Officers Safety Act of 2004 (LEOSA), amended in 2010 and 2013, affords active and retired law enforcement officers the privilege of carrying a concealed firearm across state lines, including former officers who have separated after serving as law enforcement officers for ten years or more and certain military employees. However, varying state approaches to implementation have hindered the consistent and effective operation of the federal law, especially with respect to qualified retired law enforcement officers. Currently, Hawaii has not established firearm qualification standards for qualified retired law enforcement officers residing in the State or a statutory framework to uniformly permit active and qualified retired law enforcement officers to carry a concealed weapon in Hawaii. Implementation of this measure allows the Department of the Attorney General to develop and establish a consistent and effective operation of the LEOSA.

Your Committee notes that it is likely that Congress will amend the LEOSA in the future. Thus, codifying the entire Act in state law would result in the inconsistent application of federal and state laws resulting in a lack of notice and confusion for applicants until existing state law can be updated.

Accordingly, your Committee has amended this measure by deleting its contents and inserting language proposed by the Department of the Attorney General to:

- (1) Authorize the Department of the Attorney General to develop and implement a state program and adopt rules to allow active and retired law enforcement officers to carry a concealed firearm in Hawaii pursuant to the LEOSA; and
- (2) Make a conforming amendment to state firearms laws.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 473, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 473, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 270 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1018

The purpose and intent of this measure is to appropriate funds for the Department of Public Safety, in collaboration with the Department of Transportation and Examiner of Drivers in each county, to provide civil identification cards to inmates who request the cards prior to the inmates' release.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of Human Services, Hawaii Paroling Authority, Community Alliance on Prisons, and four individuals.

Your Committee finds that when Hawaii inmates are released from prison, the absence of a valid picture identification card poses many significant challenges that make their transition from incarceration to freedom more difficult. One reason why the lack of an identification card is a problem is because verifiable identification is often needed for housing, employment, and services. Implementation of this measure will facilitate successful transitions for inmates from correctional facilities to community life.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1018 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 271 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1268

The purpose and intent of this measure is to:

- (1) Require the Department of Public Safety to construct a multi-story correctional facility at the Halawa Correctional Facility to replace the existing Oahu Community Correctional Center; and
- (2) Authorize the issuance of general obligation bonds and appropriate funds for the planning, design, and construction of the multi-story correctional facility.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Community Alliance on Prisons.

Your Committee finds that the State's correctional facilities are extremely old and are in need of significant repair and maintenance. The Oahu Community Correctional Center is a critical facility that is in need of repairs and upgrades. Moving the Oahu Community Correctional Center's inmates and provided services to a new facility at the Halawa Correctional Facility, a location that is capable of accommodating a new multi-story Oahu Community Correctional Center if several older portions of the prison are torn down and replaced, furthers public safety and provides the State with a much needed modern correctional facility. Implementation of this measure is a cost-efficient way to provide the State with an improved and modern correctional facility.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1268 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 272 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1332

The purpose and intent of this measure is to:

- (1) Establish an additional sanction available to the Judiciary prior to full parole revocation; and
- (2) Define “absconded” to mean the failure of a parolee to report to the parole officer when required; and surrender within seven days following the issuance of a warrant for apprehension of the parolee.

Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu. Your Committee received comments on this measure from the Office of the Prosecuting Attorney of the County of Kauai.

Your Committee finds that Hawaii’s justice reinvestment efforts in 2012 culminated in the passage of Act 139, Session Laws of Hawaii 2012, to “reduce recidivism by using swift and certain, yet less costly and severe, responses to parole condition violations”. However, a far lower than expected rate of parolees received sanctions in lieu of revocation of parole. Implementation of this measure provides for greater eligibility of parolees for sanctions by limiting the definition of “absconded” and establishing an additional sanction available prior to full revocation of parole.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1332, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1332, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 273 Judiciary and Labor on S.B. No. 1298

The purpose and intent of this measure is to appropriate unspecified funds to the Office of Elections, Senate, and House of Representatives for duties necessary to enable registered voters to vote at the 2016 general election on state constitutional amendments proposed by the Legislature during the Regular Session of 2015 and 2016.

Your Committee received testimony in support of this measure from the Office of Elections.

Your Committee finds that this measure facilitates the electorate to vote on proposed amendments to the Hawaii State Constitution.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1298, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 274 Judiciary and Labor on S.B. No. 1129

The purpose and intent of this measure is to amend the laws relating to the time share commissioner of deeds program by:

- (1) Clarifying the Lieutenant Governor’s rulemaking authority to implement chapter 503B, Hawaii Revised Statutes (HRS);
- (2) Authorizing the Lieutenant Governor to assess fees and impose administrative fines;
- (3) Establishing the commissioner of deeds revolving fund into which fees and administrative fines, appropriations made by the Legislature, and earned interest are to be deposited and making conforming amendments to reflect the establishment of this fund;
- (4) Granting immunity from liability to the Lieutenant Governor and employees of the office for good faith conduct in carrying out the duties of chapter 503B, HRS;
- (5) Authorizing the Lieutenant Governor to appoint and remove commissioners of deeds; and
- (6) Increasing the surety bond requirement from \$1,000 to \$10,000.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor and American Resort Development Association-Hawaii.

Your Committee finds that Act 277, Session Laws of Hawaii 2013, established the commissioners of deeds program within the Office of the Lieutenant Governor. The program includes a process for the Governor to appoint individuals to serve as Commissioners of Deeds to administer oaths, take acknowledgements, and take proofs of execution outside of the United States in connection with the execution of conveyance documents relating to a time share interest, any property subject to a time share plan, or the operation of a

time share plan covering any property located within Hawaii. This measure addresses issues raised by a working group established to assist in implementing the program and provides the Office of the Lieutenant Governor the necessary authority and clarification to effectively implement the law.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the American Resort Development Association-Hawaii that:
 - (A) Adds a fee for the reinstatement of a suspended commission;
 - (B) Adds an administrative fine for the theft of the commissioner's seal or record book, or both, and establishes reporting requirements regarding the theft; and
 - (C) Clarifies the location from which a commissioner may administer oaths and take acknowledgements and the location in which an instrument or writing may be executed;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1129, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1129, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 275 Judiciary and Labor on S.B. No. 577

The purpose and intent of this measure is to:

- (1) Require various campaign spending fines to be deposited into the Hawaii election campaign fund;
- (2) Require the Campaign Spending Commission's operating expenses to be paid from the general fund; and
- (3) Authorize the Campaign Spending Commission to use monies from the Hawaii election campaign fund for investigation expenses rather than operating expenses.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, League of Women Voters of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Accounting and General Services and one individual.

Your Committee finds that the Hawaii election campaign fund is the source of funding for the State's partial public funding program. The fund has been significantly depleted since 2009, when state law was changed to divert various campaign spending fines to the general fund, rather than the Hawaii election campaign fund, and to make the Hawaii election campaign fund the source of funding for the Campaign Spending Commission's operating expenses. This measure replenishes and establishes a consistent source of funding for the partial public funding program.

Your Committee notes the written testimony submitted by the Campaign Spending Commission indicating that the Commission has been operating at a deficit of approximately \$500,000 for the past six fiscal years. Given this trend, the Commission is concerned that its revenue is insufficient to sustain its operations and programs in the long term. Your Committee requests your Committee on Ways and Means to, if it chooses to hear this measure, explore various sustainable funding mechanisms for the Campaign Spending Commission.

Your Committee has amended this measure by:

- (1) Deleting the purpose section;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 577, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 577, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 276 (Majority) Judiciary and Labor on S.B. No. 363

The purpose and intent of this measure is to:

- (1) Amend the maximum amount of public funds available in each election to a candidate participating in the partial public funding program for the Office of Governor, Lieutenant Governor, or Mayor to not exceed fifty percent of the established expenditure limit for each election;
- (2) Increase the matching contribution amount from the State from \$1 for each \$1 of qualifying contributions to \$2 for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts; and
- (3) Make an appropriation to increase funds available to candidates participating in the partial public funding program.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, League of Women Voters of Hawaii, Libertarian Party of Hawaii, and three individuals.

Your Committee finds that existing law provides a partial public funding program to allow candidates running for elective office to be awarded monies from the State for a campaign. To qualify, a candidate is required to raise a set minimal amount, which the State will match. However, the program has a low participation rate because it fails to provide sufficient financial incentives for candidates to adequately compete against candidates who receive campaign contributions from private sources and because the amount of money awarded to each qualifying candidate fails to reflect inflation and the rising cost of living. This measure assists in increasing partial public financing program participation by increasing the maximum amount of public funds available and the matching contribution amounts from the State.

Your Committee has amended this measure by:

- (1) Deleting the purpose section (section 1);
- (2) Deleting amendments to section 11-425(a), Hawaii Revised Statutes (HRS), and replacing them with amendments to section 11-425(b), HRS, to amend the maximum amount of public funds available in each election to a candidate for the office of state senator, state representative, or prosecuting attorney to not exceed fifty percent of the established expenditure limit for each election;
- (3) Amending the matching contribution amount from the State to an unspecified amount for each \$1 of qualifying contributions in excess of the minimum qualifying contribution amounts;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 363, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 363, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Gabbard).

SCRep. 277 Judiciary and Labor on S.B. No. 290

The purpose and intent of this measure is to:

- (1) Add a definition of “ethics training”;
- (2) Require the State Ethics Commission to offer a more comprehensive ethics training course that is to be completed by persons subject to section 84-41, Hawaii Revised Statutes (HRS), within thirty days of taking office or starting employment and once every four years thereafter;
- (3) Require all persons who are required to file a financial disclosure statement pursuant to section 84-17(d), HRS, to attend an in-person ethics course;
- (4) Require all members of a board, as defined under section 92-2, HRS, and not included in section 84-17(d), HRS, and state employees who are responsible for procurement, administer state contracts, or regulate or inspect private organizations to complete an online ethics training course;
- (5) Require that the ethics training course include additional information and clarification regarding specified areas;
- (6) Clarify the timing for the State Ethics Commission to administer ethics training courses; and
- (7) Require each state agency to provide each person enumerated in section 84-41, HRS, with sufficient time to complete ethics training.

Your Committee received testimony in support of this measure from the State Procurement Office, Hawaii State Ethics Commission, and League of Women Voters of Hawaii.

Your Committee finds that existing law requires legislators, members of the Board of Education, trustees of the Office of Hawaiian Affairs, the Governor, the Lieutenant Governor, and executive department heads and deputies to complete a course in ethics training that includes training in ethics and lobbying laws. All other officers or employees of the State are not required to attend ethics training despite the fact that many of these officers and employees, including board or commission members, could greatly benefit from taking ethics courses to ensure compliance with the State Code of Ethics. This measure establishes a more comprehensive ethics training program for a broader spectrum of state employees and officers.

Your Committee has amended this measure by:

- (1) Requiring persons subject to section 84-41, HRS, to complete an ethics training course administered by the State Ethics Commission at the next available ethics training course rather than within thirty days of taking office or starting employment;
- (2) Requiring the State Ethics Commission to develop and implement an online ethics training course;
- (3) Adding an appropriation for an unspecified sum for fiscal year 2015-2016 to enable the State Ethics Commission to develop and implement an online ethics training program;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and

- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 290, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 290, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 278 (Majority) Judiciary and Labor on S.B. No. 287

The purpose and intent of this measure is to:

- (1) Require the Office of Elections to implement elections by mail in a county with a population of less than 100,000 beginning with the 2016 primary election, and by 2018, require all federal, state, and county primary, special primary, general, special general, and special elections to be conducted by mail;
- (2) Maintain absentee voting by clarifying that a registered voter may request an absentee ballot or permanent absentee ballot in lieu of receiving an election-by-mail ballot;
- (3) Establish an elections by mail program, including procedures and requirements for conducting elections by mail, ballots, and counting of ballots;
- (4) Make conforming amendments to existing laws relating to elections to reflect and implement an elections-by-mail program;
- (5) Enable absentee walk-in voting to continue prior to election day;
- (6) Ensure limited polling sites in each county remain open on election day for absentee walk-in voting and to receive mail-in ballots; and
- (7) Appropriate funds for the implementation and administration of the election-by-mail program.

Your Committee received testimony in support of this measure from the Office of Elections; Office of the County Clerk, County of Maui; Office of the County Clerk, County of Kauai; Office of the County Clerk, County of Hawaii; League of Women Voters of Hawaii; Common Cause Hawaii; and two individuals.

Your Committee finds that the trend in Hawaii has been toward increased mail-in voting and that shifting to elections-by-mail would significantly reduce the logistical issues related to conducting elections. This measure implements an election-by-mail voting system in increments to allow the State to gradually transition to conducting elections-by-mail through a phased-in approach.

Your Committee notes that S.B. No. 219 (Regular Session of 2015) also implements an elections-by-mail program. S.B. No. 219 establishes a limited number of voter service centers to provide a place of deposit for mail-in ballots and provide facilities and equipment that are compliant with the federal Americans with Disabilities Act (ADA). Your Committee believes that a limited number of voter service centers should be made available and open to registered voters, especially for registered voters with disabilities requiring ADA-compliant voting machines, prior to and on the day of election in place of traditional polling places and precincts.

Your Committee further notes the constitutional requirement to maintain an absentee voting system. As such, your Committee encourages further discussion as this measure moves through the legislative process regarding merging permanent absentee voting with an election-by-mail system while retaining a seasonal absentee voting system for persons temporarily away from their registered addresses.

Your Committee notes that Act 166, Session Laws of Hawaii 2014, codified under section 11-15.2, Hawaii Revised Statutes (HRS), allows for a person who is eligible to vote but not registered to vote to register by appearing in person prior to the day of election at an absentee polling place or on the day of election at the polling place in the precinct associated with the person's address. Establishing an election-by-mail system encourages voters to vote early, and your Committee believes that providing late voter registration may discourage early voting. Furthermore, voter service centers, which take the place of traditional polling places, are intended to be places of deposit for ballots and provide assistance for registered voters with disabilities to vote. Requiring voter service centers to also allow eligible voters to register to vote may result in increased costs and staffing needs. Your Committee further notes that section 11-15.3, HRS, authorizes the County Clerk to permit a person with a valid government-issued identification that is capable of electronic confirmation to submit a voter registration application electronically in lieu of a traditional, signed application by mail or in-person. The counties are expected to implement and make available to the public an electronic application process by the 2016 election season. Your Committee believes that this will encourage more people to register to vote in a timely manner. As such, repealing late voter registration is a prudent policy decision to facilitate mail-in voting.

Finally, your Committee notes the suggested language submitted by the Office of Elections that amends the cost apportionment formula between the counties and State for election expenses. Your Committee encourages the Committee on Ways and Means to examine the optimally feasible method of apportioning costs of elections by mail in the future.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Elections to require the County Clerk to mail a ballot package to each registered voter between fourteen and eighteen days before the date of the election to the extent practicable;
- (2) Deleting language that requires the County Clerk to mail ballots to registered voters who do not receive daily mail, have mailing addresses outside of the State, or request ballots to be delivered or made available for pick-up;
- (3) Requiring the Chief Election Officer to determine and provide places of deposit and voter service centers;

- (4) Clarifying that to cast a valid vote, voters may mail their ballots to the Office of the Clerk, personally deliver their ballots to any place of deposit preceding the date of election, or personally deliver their ballots to any voter service center on the date of election;
- (5) Allowing the counting of votes to begin prior to election day, but no sooner than seven days prior to election day, provided that no results are disclosed until after the voter service centers have closed on election day;
- (6) Adding a definition of “voter service center”;
- (7) Requiring the Chief Election Officer to issue a proclamation listing all places of deposit and voter service centers;
- (8) Establishing that there shall be no minimum number of places of deposit in any county and authorizing the Chief Election Officer to provide places of deposit only if the locations and apparatuses can be securely maintained throughout the period of use for each election;
- (9) Requiring the Chief Election Officer to provide at least one voter service center on each inhabited island;
- (10) Providing for alternative places of deposit or voter service centers in the event of a natural disaster;
- (11) Deleting amendments to section 15-7, HRS;
- (12) Repealing late voter registration under Act 166, Session Laws of Hawaii 2014, codified under section 11-15.2, HRS;
- (13) Inserting an effective date of January 7, 2059, to encourage further discussion, and inserting staggered effective dates for counties with populations of less than 100,000 and counties with populations of more than 100,000; and
- (14) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 287, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 287, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Gabbard).

SCRep. 279 Judiciary and Labor on S.B. No. 286

The purpose and intent of this measure is to:

- (1) Establish the Office of the State Inspector General that is headed by the State Inspector General and administratively attached to the Office of the Auditor;
- (2) Establish powers and duties of the Inspector General, including but not limited to investigating complaints alleging fraud, waste, abuse, or corruption by a state agency or quasi-public agency, or the officers or employees of a state agency or quasi-public agency, and investigating the management and operations of state agencies, quasi-public agencies, and independent contractors;
- (3) Require the Inspector General to refer a complaint alleging fraud, waste, abuse, or corruption by the University of Hawaii or any of its officers or employees to the internal audit department of the University of Hawaii for investigation unless the complaint concerns the University of Hawaii President, members of the Board of Regents, or the internal audit department of the University of Hawaii;
- (4) Require state agencies, quasi-public agencies, and officers and employees to report any allegations of criminal acts or acts of fraud, waste, abuse, or corruption to and cooperate with the Inspector General;
- (5) Confer the Inspector General with police powers, including the power to arrest, and subpoena powers; and
- (6) Appropriate unspecified funds to the Office of the Auditor for administrative costs associated with the establishment of the Office of the State Inspector General.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of the Attorney General, Office of the Auditor, and one individual.

Your Committee finds that accountability is necessary to maintaining public trust in government. This measure establishes an Office of the State Inspector General to promote integrity and accountability, maximize the efficiency and effectiveness of state agencies through the conduct of independent investigations, performance reviews, and other services, and provide information to state officials and the public.

Your Committee has amended this measure by:

- (1) Attaching the Office of the State Inspector General to the Department of the Attorney General rather than the Office of the Auditor for administrative purposes only;
- (2) Clarifying that a quasi-public agency includes an entity that receives grants pursuant to chapter 42F, Hawaii Revised Statutes;
- (3) Establishing that the State Inspector General will serve a term of five rather than four years;
- (4) Preventing the Governor, Attorney General, Judiciary, and Legislature from impairing the Inspector General from initiating, carrying out, or completing any audit, investigation, or review;

- (5) Allowing the Inspector General to investigate complaints of alleged fraud, waste, abuse, or corruption upon the Inspector General's own initiative, and referring any complaints to any other appropriate authority;
- (6) Requiring the Inspector General to adopt rules that include standards for conducting investigations and procedural safeguards for officers and employees;
- (7) Deleting language that requires the Inspector General to refer a complaint alleging fraud, waste, abuse, or corruption by the University of Hawaii or any of its officers or employees to the internal audit department of the University of Hawaii for investigation;
- (8) Deleting language that confers the Inspector General with police powers, including the power to arrest;
- (9) Identifying the Department of the Attorney General as the expending agency;
- (10) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 286, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Espero). Noes, none. Excused, 1 (Gabbard).

SCRep. 280 (Joint) Judiciary and Labor and Commerce and Consumer Protection on S.B. No. 1067

The purpose and intent of this measure is to amend the laws relating to the solicitation of funds from the public by:

- (1) Permitting the Attorney General to require a professional solicitor to electronically submit a financial report after a solicitation campaign;
- (2) Assessing a fine for the late filing of a financial report by a professional solicitor;
- (3) Requiring the professional solicitor to provide a copy of a financial report to the charitable organization to which the financial report pertains within ten days of submitting the financial report to the Attorney General;
- (4) Permitting the Attorney General to require a charitable organization to submit its application for an exemption from registration and financial disclosure requirements electronically with the use of electronic signatures; and
- (5) Recognizing the Northwest Accreditation Commission for primary and secondary schools as an authorized accrediting agency for educational institutions under exempt charitable organizations.

Your Committees received testimony in support of this measure from the Department of the Attorney General and Hawaii Alliance of Nonprofit Organizations. Your Committees received testimony in opposition to this measure from the Libertarian Party of Hawaii.

Your Committees find that the Department of the Attorney General will soon deploy an internet-based filing system for professional solicitors and professional fundraising counsels. This measure will facilitate the electronic submissions of financial reports and registration documents and facilitate public access to information about registered professional solicitors and exempt charitable organizations. Furthermore, by imposing late fees for the late filing of financial reports, this measure creates a financial incentive for professional solicitors to file in a timely manner.

Your Committees have amended this measure by:

- (1) Adopting suggested language from the Department of the Attorney General that incorporates certain provisions from S.B. No. 2250, S.D. 2, H.D. 1 (Regular Session of 2014) to:
 - (A) Allow a central or parent organization that has received a group exemption letter from the Internal Revenue Service to submit to the Department of the Attorney General a consolidated application for registration for itself and any or all of the subordinate organizations covered under the group exemption;
 - (B) Clarify the terms and requirements of the written consent obtained by a commercial co-venturer and permit the Attorney General to require the written consent to be submitted electronically with the use of electronic signatures;
 - (C) Authorize the Attorney General to issue a cease and desist order when a commercial co-venturer engages in an act or practice that is in violation of chapter 467B, Hawaii Revised Statutes, and impose a fine for each violation;
 - (D) Clarify the requirements for the filing of annual financial reports and require these reports to be submitted electronically to the Department of the Attorney General; and
 - (E) Amend the filing fee from \$10 to \$0 for charitable organizations that have a total gross revenue of less than \$25,000 during the time covered by the financial report at the close of the calendar or fiscal year adopted by that charitable organization;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1067, as amended

herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1067, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 7. Noes, none. Excused, none.

Commerce and Consumer Protection

Ayes, 5. Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 281 (Joint) Judiciary and Labor and Public Safety, Intergovernmental and Military Affairs on S.B. No. 213

The purpose and intent of this measure is to:

- (1) Require multiple terms of imprisonment imposed on a defendant prior to June 18, 2008, to run concurrently unless the court orders or statute mandates that the terms run consecutively; and
- (2) Authorize multiple terms of imprisonment imposed on or after the effective date of this measure to run concurrently unless the terms are mandated by the court or statute to run consecutively.

Your Committees received testimony in support of this measure from the Office of the Public Defender, Hawaii Association of Criminal Defense Lawyers, Hawaii Innocence Project, Community Alliance on Prisons, and three individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General; Office of the Prosecuting Attorney, County of Kauai; and Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committees find that from 1986 through 2008, section 706-668.5, Hawaii Revised Statutes (HRS), provided multiple terms of imprisonment imposed at different times to run consecutively unless the court specifically ordered that the terms run concurrently. On June 18, 2008, Act 193, Session Laws of Hawaii 2008 (Act 193), was enacted, and section 706-668.5, HRS, was amended to provide multiple terms of imprisonment to run concurrently unless the court orders or the statute mandates that the terms run consecutively. Accordingly, for multiple terms of imprisonment, the default sentencing changed from the terms running consecutively to running concurrently unless the court or statute specifically mandated otherwise. Due to concerns regarding inconsistencies in determining whether multiple imprisonment sentences were to be served concurrently or consecutively, this measure attempts to treat defendants sentenced to multiple terms of imprisonment prior to June 18, 2008, the same as those defendants sentenced on and after June 18, 2008.

Your Committees note the oral testimony that indicated that a recalculation by the Department of Public Safety of a defendant's multiple imprisonment sentence running concurrently to running consecutively could result in a defendant serving time beyond the defendant's original release date. Your Committees believe that if a defendant's multiple terms of imprisonment are recalculated, notice should be provided to the defendant regarding the possibility of recalculation and the defendant's right to have the court review the defendant's sentence.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the amendments made to subsection (1) of section 706-668.5, HRS, and instead adding language to that section that:
 - (A) Requires the Department of Public Safety to send written notice to a defendant with multiple terms of imprisonment imposed prior to June 18, 2008, no later than six months prior to the defendant's scheduled release date; and
 - (B) Requires the written notice to include notice that the Department of Public Safety may recalculate the multiple terms of imprisonment imposed on the defendant and the defendant's right to have the court review the defendant's sentence;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 213, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 213, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 282 (Joint) Judiciary and Labor and Public Safety, Intergovernmental and Military Affairs on S.B. No. 230

The purpose and intent of this measure is to clarify that reimbursement to crime victims includes lost wages and mental health treatment, counseling, and therapy.

Your Committees received testimony in support of this measure from the Crime Victim Compensation Commission; Department of the Prosecuting Attorney, County of Maui; Victim/Witness Assistance Division of the Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Hawaii; The Sex Abuse Treatment Center; and one individual. Your Committees received comments on this measure from the Department of Public Safety.

Your Committees find that in *State v. DeMello*, 310 P.3d 1033 (Haw. Ct. App. 2013), the court held that section 706-646, Hawaii Revised Statutes (HRS), does not explicitly provide for an award of lost wages as part of restitution. As a result, crime victims who miss work due to injuries or impairment suffered as a result of a defendant's offense are being denied restitution of lost earnings. Furthermore, based on the *DeMello* analysis and holding, it appears that courts would similarly deny expenses for mental health treatment. This measure clarifies the intent of section 706-646, HRS, to reimburse crime victims fully for all reasonable and verified losses resulting from a defendant's offense, including but not limited to lost wages and mental health treatment, counseling, and therapy.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 230 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 283 (Majority) Judiciary and Labor on S.B. No. 368

The purpose and intent of this measure is to appropriate and authorize funds for Hawaii employer-union health benefits trust fund costs and other cost adjustments for employees in collective bargaining unit (5) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Office of Collective Bargaining.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (5) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 368, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 368, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 284 (Majority) Judiciary and Labor on S.B. No. 1077

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (2) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (2) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1077, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1077, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 285 (Majority) Judiciary and Labor on S.B. No. 1078

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (3) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained for terms reached with regard to collective bargaining unit (3) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1078, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1078, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 286 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 560

The purpose and intent of this measure is to require the State Auditor to audit the use of state and federal family leave benefits by adult corrections officers of the Department of Public Safety and submit a report of findings and recommendations to the Legislature.

Your Committees received testimony in support of this measure from the Department of Public Safety, Community Alliance on Prisons, American Civil Liberties Union, and four individuals.

Your Committees find that cancellation of scheduled family visitation at the State's correctional facilities has been a persistent problem. An audit will address the ongoing problem of cancelled visitation and determine ways in which the Legislature and the Department of Public Safety can address the issue.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 560 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 287 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 1020

The purpose and intent of this measure is to appropriate funds to the Department of Public Safety and the Judiciary for electronic monitoring of released inmates.

Your Committees received testimony in support of this measure from the Department of Public Safety, Community Alliance on Prisons, and four individuals. Your Committees received comments on this measure from the Judiciary.

Your Committees find that electronic monitoring is one way to track and monitor inmates who are on probation, parole, or work furlough. Technology is able to provide continuous electronic monitoring, as needed, and saves tax dollars as electronic monitoring costs less than incarcerating an individual. While not all released inmates need electronic monitoring, there are some offenders, including sexual offenders and habitual criminals, who are ideal candidates for electronic monitoring. Implementation of this measure will enable the state to retain control of individuals under its custody at the least restrictive level of supervision required.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1020 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 288 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 1305

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Kauai for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Crime Victim Compensation Commission, Department of the Prosecuting Attorney City and County of Honolulu, Office of the Prosecuting Attorney County of Kauai, Department of the Prosecuting Attorney County of Maui, Office of the Prosecuting Attorney County of Hawaii, and Kauai Police Department.

Your Committees find that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim-Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Kauai. However, funding for the programs has been significantly

reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1305 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 289 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1331

The purpose and intent of this measure is to:

- (1) Require pretrial risk assessments, pretrial bail reports, and arraignments to be completed within five working days after an arrest;
- (2) Require intake service centers to interview lay sponsors within seven working days of their identification and allows the court to order defendants released on bail, recognizance, or supervised release to report to lay sponsors for supervision;
- (3) Prohibit judicial officers from denying bail absent a pretrial risk assessment score that reflects a high risk of flight or commission of a new criminal offense; and
- (4) Prohibit judicial officers from relying on a bail schedule or bail amount that would have been necessary to prevent release of a defendant during jail overcrowding.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons. Your Committee received testimony in opposition to this measure from the Office of the Prosecuting Attorney of the County of Kauai.

Your Committee finds that despite the advancement in pretrial assessment since 2012, pretrial lengths of stay for those who are ultimately released before trial have increased, averaging almost seventy days. Pretrial length of stay in Hawaii remains approximately four times as long as the national average. Reentry intake service centers have conducted more timely assessments, but this alone has not produced more timely processing of cases or affected release decisions. The result, incarcerating defendants before they are ultimately released on bail, recognizance, or supervision, and before they plead or are found guilty, is costly for the State. Implementation of this measure will require timely processing and quality information for appropriate pretrial release decisions.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1331, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1331, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 290 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1159

The purpose and intent of this measure is to:

- (1) Exempt federal veterans' disability benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment; and
- (2) Provide an exception for service-connected disability benefits that are subject to child and spousal support enforcement under title 42 United States Code section 659(h)(1)(A)(ii)(V).

Your Committee received testimony in support of this measure from the State Office of Veterans Services, National Association for Uniformed Services Hawaii Chapter, Veterans Advisory Board, and one individual.

Your Committee finds that disabled veterans have sacrificed in the name of duty, honor, and country. The federal benefits that a disabled veteran receives need to be protected from creditors and third parties. Implementation of this measure safeguards federal veterans' disability benefits, except for in certain child and spousal support cases.

Your Committee has amended this measure by adding language to encourage courts to follow federal disability compensation apportionment policy under title 42 United States Code section 659(h)(1)(A)(ii)(V), regarding portions of service-connected disability benefits that are subject to child and spousal support enforcement.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1159, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1159, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 291 (Joint) Public Safety, Intergovernmental and Military Affairs and Transportation on S.B. No. 662

The purpose and intent of this measure is to:

- (1) Require shippers to notify the fire chief from where and to where fireworks shipments imported into the State or between counties are to be distributed;
- (2) Define the term “redistribution” to clarify shipment notification requirements;
- (3) Create two exceptions to the fireworks prohibitions for film or movie productions and for those authorized to dispose of or test consumer fireworks; and
- (4) Clarify that labels on certain fireworks shall be at least nine square inches.

Your Committees received testimony in support of this measure from the State Fire Council, Honolulu Police Department, Hawaii County Fire Department, Maui County Fire Department, and one individual. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that transporting fireworks to, from, and within the State requires the use of multiple methods of interstate and intrastate transportation. It is essential to the health and safety of the community and the State’s first responders that the importation of fireworks shipments be thoroughly accounted for and reported. Under the existing law, there are no notification requirements for those transporting fireworks. This measure is necessary to clarify shippers’ responsibilities and notification requirements and authorize the use of fireworks in certain circumstances.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 662 and recommend that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Transportation
Ayes, 7. Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 292 (Joint) Public Safety, Intergovernmental and Military Affairs and Transportation on S.B. No. 343

The purpose and intent of this measure is to:

- (1) Exempt qualifying totally and permanently disabled veterans from paying the state motor vehicle registration fee for registrations occurring on or after September 1, 2015; and
- (2) Require the Director of the Office of Veterans Services, in consultation with the Policy Advisory Board on Veterans Services, to report to the Legislature and Department of Taxation the total number of disabled veterans that qualify for the exemption from the annual motor vehicle registration fees.

Your Committees received testimony in support of this measure from the State Office of Veterans Services, Veterans Advisory Board, and one individual. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that disabled veterans deserve to be rewarded for their sacrifices in the name of duty, honor, and country. The exemption provided by this measure would be a small recognition of those veterans who incurred military-related injuries and are now rated as one hundred percent disabled.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 343 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Transportation
Ayes, 7. Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 293 Public Safety, Intergovernmental and Military Affairs on S.B. No. 226

The purpose and intent of this measure is to:

- (1) Provide protection to family or household members from abuse by specifying that the period of separation that a police officer can order under suspicion of physical abuse or harm is two business days from the day the order is issued; and
- (2) Define “business day” as any calendar day, except Saturday, Sunday, or any state holiday.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu, Department of the Prosecuting Attorney of the County of Maui, Department of the Prosecuting Attorney of the County of Kauai, Honolulu Police Department; and one individual.

Your Committee finds that the intent of the forty-eight hour period of separation in cases of actual or probable family or household abuse is to keep the abuser or potential abuser away from the victim and give the victim time to get a restraining order and find a safe shelter. However, under existing law, when the abuse occurs at certain times or on certain days, the victim does not receive the benefit of the forty-eight hour separation period or does not have sufficient time to obtain a restraining order or shelter because government agencies and many private organizations are closed on weekends and holidays. This measure will give abuse victims additional time to get help and legal protection by extending the period of separation that a law enforcement officer shall order under specified circumstances.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 226, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 226, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 294 Public Safety, Intergovernmental and Military Affairs on S.B. No. 197

The purpose and intent of this measure is to:

- (1) Prohibit certain state and county employees and officers who are authorized to carry firearms from carrying a firearm while consuming alcohol or within an unspecified number of hours of consuming alcohol;
- (2) Prohibit certain state and county employees and officers who are authorized to carry firearms from carrying a firearm after ingesting prescription medications that would impair the judgment or physical response of the employee or officer while carrying a firearm; and
- (3) Create an exemption for certain state and county employees who are taking part in an official criminal surveillance or undercover operation.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Hawaii Rifle Association and one individual.

Your Committee finds that the consumption of alcohol or certain prescription medications can impair the judgment and physical response of state or county employees and officers who are authorized to carry a firearm, thereby decreasing public safety. However, there are occasions where state or county employees and officers may be compelled to consume small amounts of alcohol or drugs in the course of obtaining intelligence or evidence. Implementation of this measure will increase public safety by establishing a high standard regarding the consumption of alcohol and certain prescription medications by select state and county employees and officers.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 197, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 197, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 295 (Joint) Public Safety, Intergovernmental and Military Affairs and Transportation on S.B. No. 186

The purpose and intent of this measure is to:

- (1) Establish the offense of resisting an order to stop a motor vehicle in the first degree as a class C felony; and
- (2) Reclassify the existing offense of resisting an order to stop a motor vehicle, which is a misdemeanor, to resisting an order to stop a motor vehicle in the second degree.

Your Committees received testimony in support of this measure from the Honolulu Police Department.

Your Committees find that an offender, while fleeing in a vehicle from a law enforcement officer, often places another person in danger of being injured or damages property. Existing law does not adequately address these situations. The offender may be arrested for the offense of attempted murder, assault in the second degree, or terroristic threatening in the first degree. However, the alleged conduct does not fulfill the elements of those offenses, as the offender's intent is not to commit murder, assault, or terroristic threatening or to damage the property of another, which causes the charges to be changed or dropped. Implementation of this measure will provide prosecutors with an additional offense with which to charge an offender who is resisting an order to stop while fleeing in a motor vehicle.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 186, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 186, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Transportation

Ayes, 7; Ayes with Reservations (English). Noes, none. Excused, 2 (Kidani, Slom).

SCRep. 296 (Majority) Judiciary and Labor on S.B. No. 1079

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (4) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (4) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1079, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1079, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 297 (Majority) Judiciary and Labor on S.B. No. 1080

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (5) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Office of Collective Bargaining.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (5) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1080, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1080, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 298 (Majority) Judiciary and Labor on S.B. No. 1081

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (10) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and United Public Workers.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (10) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1081, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1081, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 299 (Majority) Judiciary and Labor on S.B. No. 1082

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (11) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, and Hawaii Fire Fighters Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (11) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1082, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 300 (Majority) Judiciary and Labor on S.B. No. 1083

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (8) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (8) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1083, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1083, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 301 (Majority) Judiciary and Labor on S.B. No. 1084

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (9) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (9) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1084, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1084, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 302 (Majority) Judiciary and Labor on S.B. No. 1152

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (14) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (14) and its excluded counterparts. Your Committee believes that it is more appropriate for the Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1152, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1152, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 303 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 198

The purpose and intent of this measure is to:

- (1) Establish a permanent weed and seed strategy within the Department of Labor and Industrial Relations; and
- (2) Appropriate funds to maintain and expand the weed and seed strategy; provided that any appropriation is conditioned on obtaining federal funding.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Weed and Seed Hawaii, and eleven individuals.

Your Committees find that the weed and seed strategy is a collaborative effort among law enforcement agencies at the federal, state, and county levels, social service agencies, private businesses, nonprofit organizations, and residents to reclaim, restore, and rebuild communities. Through weed and seed activities, law enforcement officers and residents have become partners in working together to keep communities clean and safe. Implementation of this measure will provide the State with an innovative and comprehensive approach to law enforcement and community revitalization.

Your Committees have amended this measure by:

- (1) Eliminating the provision that any appropriation is conditioned on obtaining federal funding; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 198, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 198, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 304 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 199

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to each county for the purchase of body-worn video cameras and law enforcement vehicle cameras to be used by each county police department; provided that no funds appropriated to a county shall be expended unless matched dollar-for-dollar by the county.

Your Committees received testimony in support of this measure from American for Democratic Action, Hawaii State Coalition Against Domestic Violence, American Civil Liberties Union of Hawaii, Remington College Honolulu Criminal Justice Student Coalition, and fourteen individuals. Your Committees received comments on this measure from one individual.

Your Committees find that with the recent incidents involving law enforcement officers and public perception that unnecessary force was used, the use of body-mounted video cameras and law enforcement vehicle cameras provide law enforcement officers and civilians with added security in their actions. Law enforcement officers and civilians who are aware that they are being videotaped are more likely to behave in a calm manner, and body-worn video cameras and law enforcement vehicle cameras help ensure the safety of the public and increase law enforcement effectiveness and transparency. Implementation of this measure promotes transparency, accountability, and protection for law enforcement officers and civilians.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 199 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 305 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 227

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the County of Maui for the Drug Court and Mental Health Court programs.

Your Committees received testimony in support of this measure from the Department of the Prosecuting Attorney City and County of Honolulu, Office of the Prosecuting Attorney County of Kauai, Department of the Prosecuting Attorney County of Maui, and Office of the Prosecuting Attorney County of Hawaii.

Your Committees find that the Drug Court program helps offenders turn their lives around and costs the State significantly less money per day compared to incarceration. The Mental Health Court program, another critical program, helps offenders receive appropriate mental health treatment. These programs provide worthy services to the citizens of the County of Maui. Implementation of this measure decreases criminal activity and provides the necessary resources to assist offenders in receiving appropriate guidance and treatment.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 227 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 306 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 423

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Crime Victim Compensation Commission, Department of the Prosecuting Attorney City and County of Honolulu, Office of the Prosecuting Attorney County of Kauai, Department of the Prosecuting Attorney County of Maui, Office of the Prosecuting Attorney County of Hawaii, and one individual.

Your Committees find that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim-Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the City and County of Honolulu. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 423 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 307 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 424

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Honolulu Family Justice Center.

Your Committees received testimony in support of this measure from the Department of the Prosecuting Attorney City and County of Honolulu, Office of the Prosecuting Attorney County of Kauai, Ala Kuola, and three individuals.

Your Committees find that the Honolulu Family Justice Center provides victims of domestic violence, sexual assault, and human trafficking with a safe environment during some of their most vulnerable stages of separation from their abuser. Implementation of this measure will provide comprehensive services to victims, facilitate prosecution of domestic violence, sexual assault, and human trafficking offenses, and ultimately provide better assurance that more offenders are held accountable for their actions.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 424 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 308 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 524

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Hawaii for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Crime Victim Compensation Commission, Department of the Prosecuting Attorney City and County of Honolulu, Office of the Prosecuting Attorney County of Kauai, Department of the Prosecuting Attorney County of Maui, and Office of the Prosecuting Attorney County of Hawaii.

Your Committees find that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim-Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Hawaii. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 524, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 524, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 309 (Joint) Energy and Environment and Water and Land and Public Safety, Intergovernmental and Military Affairs on S.B. No. 499

The purpose and intent of this measure is to require major infrastructure improvement projects or construction projects of the State or a county that are within coastal lands to include in the environmental assessments and environmental impact statements an analysis of the environmental impact of projected sea level rise and fall over the anticipated lifespan of the project.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Office of Environmental Quality Control, Office of Planning, University of Hawaii System, Conservation Council for Hawaii, Hawaii Alliance, Surfrider Foundation, Americans for Democratic Action, and eleven individuals. Your Committees received testimony in opposition to this measure from the Department of Design and Construction of the City and County of Honolulu, Building Industry Association of Hawaii, and Chamber of Commerce Hawaii.

Your Committees find that state or county construction projects in coastal areas are environmentally precarious. It is essential to take impacts related to projected sea level rise into account during the planning stage in order to protect current infrastructure investments over time. Implementation of this measure will reduce hazards and minimize costly adaption measures.

Your Committees have amended this measure by:

- (1) Replacing "sea level change" with "sea level rise", "coastal lands" with "special management area", and "projected sea level rise or fall" with "projected sea level rise";
- (2) Clarifying that beginning July, 1, 2016, an environmental assessment or environmental impact statement may include an analysis of the environmental impact of projected sea level rise over the anticipated lifespan of the project;
- (3) Requiring the Office of Environmental Quality Control to work with the Hawaii Coastal Zone Management Program and relevant state agencies to provide guidance documents concerning ecological and environmental problems related to the development of the coastal zone management area;
- (4) Amending the definition of "major" to mean any project having an anticipated estimated value equal to or exceeding \$3,000,000; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Water and Land, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 499, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 499, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 310 Human Services and Housing on S.B. No. 262

The purpose and intent of this measure is to continue the nursing facility sustainability program by extending the sunset date to June 30, 2016, and appropriating funds out of the nursing facility sustainability program special fund.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Hawaii Primary Care Association, The Queen's Health Systems, and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the Legislature created the nursing facility sustainability program to increase Medicaid payments to nursing facilities in recognition that Medicaid payments to nursing facilities were below the actual costs of care. Your Committee further finds that the majority of residents in Hawaii's nursing facilities are Medicaid enrollees, and the nursing facility sustainability program ensures that they have access to quality care.

Your Committee has amended this measure by:

- (1) Inserting language to preserve the exemptions of the nursing facility sustainability program from the central service expenses and administrative expenses assessments through December 31, 2016; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 262, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 262, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 311 Human Services and Housing on S.B. No. 916

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Community Development Authority to rent reserved housing only to renters qualifying for reserved housing and to rent workforce housing only to renters qualifying for workforce housing;
- (2) Require the Hawaii Community Development Authority to establish rules to require reserved and workforce rental housing in developments; and
- (3) Amend the definition of "reserved housing" in section 206E-101, Hawaii Revised Statutes, and create definitions for "low income", "moderate income", and "workforce housing".

Your Committee received testimony in support of this measure from the FREE ACCESS COALITION and ten individuals. Your Committee received comments on this measure from the Executive Director of the Hawaii Community Development Authority.

Your Committee finds that the affordable housing crisis in Hawaii calls for the development of various types of rental housing for a range of income brackets. Your Committee further finds that multi-generational households are common in this State, and that there is a need for mixed use rental housing developments that limit sprawl and reduce transportation-related energy costs.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 916 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 312 Human Services and Housing on S.B. No. 192

The purpose and intent of this measure is to assist homeless persons with obtaining an identification card by requiring administrative rules adopted by the Director of Transportation to authorize the examiner of drivers to waive the fee for the issuance of a civil identification card in certain cases for a person who is homeless, provided the person's homeless status is verified with a letter from a homeless services provider.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Interagency Council on Homelessness, Institute for Human Services, Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, IMUAlliance, PHOCUSED, Gregory House Programs, Community Health Outreach Work to Prevent AIDS Project, Waikiki Health, Pacific Alliance to Stop Slavery, Hawaii State Coalition Against Domestic Violence, and seven individuals.

Your Committee finds that Hawaii has the highest rate of homelessness in the country, and a lack of identification can prolong the amount of time an individual or family is without shelter. Your Committee further finds that waiving the fee for homeless individuals to obtain an identification card will help expedite their access to housing and employment by removing at least one barrier that stands in the way of receiving services and moving forward with their lives.

Your Committee has amended this measure by:

- (1) Amending language to clarify that the rules shall direct the examiner of drivers to waive the fee for a new or renewal identification card for homeless persons who provide a verified letter from a homeless services provider;
- (2) Inserting language to require that homeless services providers who submit official letters verifying an individual's homeless status for the purpose of obtaining an identification card shall allow the homeless individual to use the homeless service provider's address to the extent required by federal law;
- (3) Inserting a provision mandating the collection of data that pertains to instances in which the identification card fee is waived due to a person's homeless status;
- (4) Inserting an effective date of January 5, 2016, to allow for implementation; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 192, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 192, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 313 Human Services and Housing on S.B. No. 273

The purpose and intent of this measure is to assist homeless persons with obtaining an identification card by allowing the examiner of drivers to accept a sworn statement from a victim services organization, attorney, member of the clergy, or medical or health professional as documentary evidence of a homeless person's address, date and place of birth, occupation, or social security number.

Your Committee received testimony in support of this measure from the County of Kauai Office of the Prosecuting Attorney, Pacific Alliance to Stop Slavery, IMUAlliance, Hawaii Youth Services Network, Hawaiian Hope, Hawaii State Coalition Against Domestic Violence, Children's Law Center, and twenty-four individuals. Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from one individual.

Your Committee finds that houseless citizens in Hawaii face daunting and sometimes insurmountable barriers to obtaining valid identification. Valid identification is necessary to obtain and maintain certain financial and nonfinancial benefits, housing, employment, medication, and other life essentials. Your Committee further finds that while individuals may find themselves without proper identification due to fleeing domestic violence, losing personal belongings, or their identification being expired, the homeless population in Honolulu routinely lose their identification documents as the result of city-run sweeps on homeless encampments in which documents such as social security cards, birth certificates, state identification cards, driver's licenses, and marriage licenses are confiscated and destroyed.

Your Committee has heard the testimony of the Department of Transportation expressing concern that it will violate the federal REAL ID Act of 2005 and jeopardize Hawaii's compliance certification issued by the Department of Homeland Security if the examiner of drivers were to accept sworn statements from the proposed professionals in this measure as documentation of identifying information. Your Committee finds that while this issue merits further consideration, a solution needs to be found that allows individuals to obtain identification in a realistic and reasonable manner.

Your Committee has amended this measure by:

- (1) Inserting language to include correctional institution staff in the group of professionals from whom a sworn statement may be accepted to verify a person's address, date and place of birth, occupation, or social security number for the purposes of obtaining an identification card; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 273, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 273, S.D. 1, and be referred to the Committee on Transportation.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 314 (Joint) Human Services and Housing and Health on S.B. No. 908

The purpose and intent of this measure is to appropriate funds to restore basic adult dental benefits to Medicaid enrollees, provide outreach and eligibility services at federally qualified health centers, and establish health care homes.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, The Queen's Health Systems, Waianae Coast Comprehensive Health Center, Hoola Lahui Hawaii, Hana Health, Hawaii Primary Care Association, Kokua Kalihi Valley Comprehensive Family Services, and Lanai Community Health Center. Your Committees received comments on this measure from the Department of the Attorney General, Department of Human Services, and Department of Health.

Your Committees find that it is in the best interest of the State to ensure access to primary, behavioral, dental, and preventive healthcare for Hawaii's residents. Your Committees note the critical importance of restoring adult dental benefits for Medicaid enrollees and for funding community health centers, which serve uninsured, underinsured, and low-income populations. In addition to providing a patient-centered delivery system of medical, behavioral, and dental health services, community health centers are a smart investment that save the State money. Community health centers save the health care system \$1,263 per patient per year due to timely, effective care, and care management.

Your Committees have amended this measure by:

- (1) Replacing the term “health care homes” with “health homes” to be consistent with section 2703 of the Patient Protection and Affordable Care Act of 2010;
- (2) Changing the expending agency of the community health centers special fund monies to the Department of Health to comply with section 321-1.65, Hawaii Revised Statutes;
- (3) Inserting a general revenue appropriation of \$1,000,000 for the administrative support of the health homes program; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 908, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 908, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

SCRep. 315 Human Services and Housing on S.B. No. 962

The purpose and intent of this measure is to appropriate funds for an interpreter referral service for public and private entities serving individuals who are not participants of the Department of Human Services’ vocational rehabilitation program.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board, Isle Interpret, and five individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that the Americans with Disabilities Act of 1990 requires public and private entities to provide individuals with disabilities a means of effective communication, such as auxiliary aids and services, that is as effective as communication with individuals without disabilities. Your Committee further finds that the Department of Human Services has provided interpreter referral services for the community for many years, including individuals who are not vocational rehabilitation program participants, and supplemental funding is necessary to continue providing services for individuals who are not participants of the Department’s vocational rehabilitation program so that the Department can maximize matching federal funds.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 962 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 316 (Joint) Human Services and Housing and Commerce and Consumer Protection on S.B. No. 963

The purpose and intent of this measure is to require health insurance coverage for hearing aids for people with all types of hearing loss and specify a minimum amount of coverage and frequency for replacement of hearing aids under coverage.

Your Committees received testimony in support of this measure from the Disability and Communications Access Board; Aloha State Association of the Deaf; American Speech Language Hearing Association; Hands and Voices Hawaii; National Active and Retired Federal Employees Association, Hawaii State Federation of Chapters; Isle Interpret; and sixteen individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Health, Office of the Auditor, and Hawaii Medical Service Association.

Your Committees find that the high cost of hearing aids often deters individuals and families who suffer from hearing loss from getting hearing aid devices when they are needed. Hearing aid prices begin around \$2,000 and can cost as much as \$3,000 or higher per ear or hearing aid. Your Committees further find that while most health insurance plans in Hawaii cover the purchase of hearing aids, the plans do not contain important provisions about limits on coverage, frequency for replacing hearing aids, or costs covered by insurers.

Your Committees have amended this measure by:

- (1) Changing the required insurance coverage for hearing aids from a maximum benefit of \$1,500 per hearing-impaired ear every thirty-six months to a minimum benefit of \$1,500 per hearing-impaired ear every thirty-six months;
- (2) Removing the provision that exempts qualified health plans offered by health carriers through the Hawaii Health Connector from the coverage mandate so that the coverage requirements apply to all health insurance policies; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 963, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 963, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection
Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 317 (Joint) Human Services and Housing and Commerce and Consumer Protection on S.B. No. 1318

The purpose and intent of this measure is to amend the definition of “qualified community rehabilitation program” so that it no longer requires qualified community rehabilitation centers to pay employees who are persons with disabilities less than minimum wage.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that currently a qualified community rehabilitation center wanting to employ persons with disabilities must pay the employees less than minimum wage in order to obtain the required United States Department of Labor certificate. Your Committees further find that there are organizations that want to pay workers with disabilities more than minimum wage but would be precluded from or lose designation as a qualified community rehabilitation program if they did so.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1318, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1318, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection
Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 318 (Joint) Human Services and Housing and Commerce and Consumer Protection on S.B. No. 727

The purpose and intent of this measure is to establish a long-term care surcharge on state tax as a dedicated source of funding to pay for claims for defined benefits under the long-term care financing program.

Your Committees received testimony in support of this measure from the Maui County Office on Aging, Policy Advisory Board for Elderly Affairs, and three individuals. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii, National Association of Insurance and Financial Advisors Hawaii, and one individual. Your Committees received comments on this measure from the Department of Budget and Finance, Department of Taxation, Office of Information Practices, Tax Foundation of Hawaii, and Grassroot Institute of Hawaii.

Your Committees find that Hawaii’s population age sixty-five and older is increasing drastically, and the demand for home-based long-term care services is quickly outpacing affordability of caring for the State’s kupuna. Considering Hawaii’s long-term care costs are among the highest in the country and the majority of older adults want to age in place, your Committees find that the State must help ease the financial burden placed on families to provide long-term care to their family members.

Your Committees have amended this measure by:

- (1) Merging two sections to consolidate the Department of Taxation’s data collection requirements for the purposes of clarity and consistency;
- (2) Extending the deadline for the Department of Taxation to transmit annual taxpayer data to the Board of Trustees to December 31 of each year instead of three months after income tax returns are due;
- (3) Inserting language specifying that the actuarial report on the long-term care financing program and any work product, papers, documents, and data used to prepare the report are not subject to the disclosure exceptions under section 92F-13, Hawaii Revised Statutes, to ensure the information is available to the public;
- (4) Inserting language to clarify that the ten years of filing tax returns that is required before a person is fully vested and eligible to receive the defined benefit means the most recent ten years of income tax filings;
- (5) Substituting references to paying taxes with references to filing tax returns to clarify that qualifying for the defined benefit only requires the filing of tax returns even if no payment of taxes is owed;
- (6) Inserting language requiring the Director of Taxation to provide tax return information to the qualified entity contracted to administer the long-term care financing program;
- (7) Inserting an effective date of January 1, 2017; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 727, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 727, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 319 (Joint) Human Services and Housing and Energy and Environment on S.B. No. 179

The purpose and intent of this measure is to clarify that the Hawaii Public Housing Authority is authorized to contract with private businesses to remove food and green wastes from public housing projects.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committees find that the State should lead by example while moving toward a more environmentally sustainable future. An effective way to increase environmental sustainability is to diminish the necessity of landfills by diverting food waste and green waste from landfills to composting and energy generation.

Your Committees further find that the Hawaii Public Housing Authority currently recycles its green waste in a variety of ways, including using mulch and wood chips to soak up old paint that needs to be removed and creating compost gardens. This measure ensures that if the burden for these environmental sustainability activities becomes too burdensome for the Authority, the Authority will be authorized to seek help by contracting with private businesses.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 179 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 320 (Joint) Human Services and Housing and Judiciary and Labor on S.B. No. 1101

The purpose and intent of this measure is to extend the state civil service exemption for persons hired or contracted by the Hawaii Public Housing Authority to repair and maintain vacant state housing units.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committees received testimony in opposition to this measure from United Public Workers.

Your Committees find that with the passage of Act 159, Session Laws of Hawaii 2012, the Hawaii Public Housing Authority was able to hire twenty-six exempt and professionally licensed staff members to significantly improve turnaround time for repair and maintenance work on vacant units. Currently, the turnaround time is seven days.

Your Committees have amended this measure by:

- (1) Inserting an effective date of June 29, 2015; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1101, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1101, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 321 (Joint) Education and Government Operations on S.B. No. 854

The purpose and intent of this measure is to:

- (1) Authorize the Department of Education to enter into leaseback agreements; and
- (2) Require that public school lands be leased to lessees who shall be required to modify, construct, or utilize facilities to benefit public educational purposes.

Your Committees received testimony in support of this measure from the Department of Education, Chamber of Commerce Hawaii, Building Industry Association-Hawaii, and Land Use Research Foundation of Hawaii.

Your Committees find that it is important to leverage state resources to obtain the best results for the people of Hawaii. Leaseback agreements provide opportunities for improvements of state facilities without the State losing ownership of land or facilities. Such

agreements allow for flexibility in the lease process and provide the Department of Education with more options for facility construction, renovation, and expansion.

Your Committees have amended this measure by:

- (1) Requiring the Department of Accounting and General Services to negotiate and process all leases entered into pursuant to this measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 854, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 854, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 322 (Joint) Education and Government Operations on S.B. No. 836

The purpose and intent of this measure is to provide a framework for funding and support of public charter schools facilities through adequate prioritization.

Your Committees received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii Public Charter Schools Network, and Hawaii Island School Garden Network. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that facilities funding is the greatest concern for Hawaii public charter schools, and a major hurdle for programs that offer before- and after- school child care, also known as pre-plus programs. Due to the high cost of facilities in the State, an innovative approach is necessary to provide facilities at a reasonable cost to public charter schools and pre-plus programs. Utilizing vacant state facilities is one way to meet the facilities needs of public charter schools and pre-plus programs while making productive use of vacant state facilities.

Your Committees further find that vacant state facilities may yield to redevelopment for mixed-use facilities. One building could house not only a charter school or a pre-plus program, but could also include commercial space, social services, or a cultural attraction within the same facility. This concept aligns with Act 155, Session Laws of Hawaii (2013), which envisions twenty-first century schools as community hubs that are centrally-located with access to other services.

Your Committees have amended this measure by:

- (1) Clarifying that each state department shall notify the Department of Education, State Public Charter School Commission, and Executive Office of Early Learning of unused facilities, and adding the development of twenty-first century schools and mixed-use facilities to the types of appropriate uses of unused facilities;
- (2) Clarifying that the State Public Charter School Commission and Executive Office on Early Learning shall each solicit applications from public charter schools and pre-plus programs, respectively, and the State Public Charter School Commission and Executive Office on Early Learning shall each submit prioritized lists of interested schools and programs to the Department of Education which shall determine which schools or programs, if any, shall be authorized to use and occupy the facilities;
- (3) Deleting all sections related to charter school funding through general bond authorization, including amendments to annual reporting requirements, facilities funding, and all appropriations; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 836, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 836, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 323 Higher Education and the Arts on S.B. No. 4

The purpose and intent of this measure is to authorize the issuance of \$25,000,000 in special purpose revenue bonds to assist Chaminade University of Honolulu.

Your Committee received testimony in support of this measure from Chaminade University of Honolulu. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that student enrollment has increased steadily at Chaminade University to the current figure of two thousand five hundred students, the majority of whom are financial aid recipients. Issuance of the special purpose revenue bonds in this measure would enable Chaminade University to expand and enhance competitive programs, renovate aging facilities to attract an increased number of students, and conduct structural renovation of the faculty and administrative offices.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 324 Higher Education and the Arts on S.B. No. 327

The purpose and intent of this measure is to appropriate \$225,000 in general funds for four full-time equivalent (4.0 FTE) positions to the University of Hawaii Pamantasan Council to help the State and the University of Hawaii meet strategic goals for access and diversity in higher education.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii Pamantasan Council, University of Hawaii Pamantasan Executive Council, Filipino American Citizens League, Nursing Advocates & Mentors Inc., Kabataang maka-Bayan/Pro-People Youth (KmB), Filipinos for Affirmative Action, and twelve individuals.

Your Committee finds that despite their high representation in the general population and schools within the Department of Education, students of Filipino ancestry are underrepresented in the University of Hawaii System. Filipino students comprise only twelve percent of the entire University of Hawaii System student population. Six percent of the community colleges faculty and two and one half percent of the University of Hawaii at Manoa faculty are of Filipino ancestry. The fifteen percent postsecondary degree rate held by Filipinos is the lowest among all ethnic groups in Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 327 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 325 (Joint) Higher Education and the Arts and Economic Development and Technology on S.B. No. 627

The purpose and intent of this measure is to require the University of Hawaii to extend the current land lease agreement with the High Technology Development Corporation for no less than ten years upon expiration of the current agreement and to maintain identical terms.

Your Committees received testimony in support of this measure from the High Technology Development Corporation; Hawaii TechWorks; Hawaii Tech Exchange; The Cut Collective; 3D Innovations; Ikayzo, Inc.; Hyperspective; Tow Choice; Hawaii Open Data; and two individuals. Your Committees received testimony in opposition to this measure from the University of Hawaii System.

Your Committees find that the High Technology Development Corporation is home to twenty-six tenant companies and sixteen companies that are part of the virtual office system. The incubator program provides special leasing rates for startup companies to help offset the high costs of company creation. The program also provides flexible month-to-month leases with minimal security deposits which significantly reduce the typical risks associated with starting a business.

Your Committees further find that the High Technology Development Corporation mentors companies through major growth hurdles and helps them to become resilient and sustainable businesses that contribute to the State's tax base. Rent revenues generated by the incubator provide the funding for the program. Without the revenues and incubator programs, the High Technology Development Corporation could no longer function and would have to shut down.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 627 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 7. Noes, none. Excused, none.

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Baker).

SCRep. 326 Higher Education and the Arts on S.B. No. 707

The purpose and intent of this measure is to establish an Office of Sustainability on the system level for the University of Hawaii and to provide funding for key staff to coordinate the implementation of the Board of Regents' sustainability policy across all ten campuses of the University of Hawaii System.

Your Committee received testimony in support of this measure from the University of Hawaii System and seventeen individuals.

Your Committee finds that the establishment of an Office of Sustainability would permit the University to aggressively and efficiently pursue numerous multi-faceted priorities relating to sustainability, the reinvestment of funds to better manage project energy consumption and costs, and to convene the annual Sustainability in Higher Education Summit.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 707 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 327 Higher Education and the Arts on S.B. No. 987

The purpose and intent of this measure is to clarify that a post-secondary educational institution may request an administrative hearing following receipt of notification of denial or of intent to suspend or terminate any authorization.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that existing law permits a post-secondary educational institution to request an administrative hearing pursuant to chapter 91, Hawaii Revised Statutes, if that institution is placed on probation. However, existing law does not set forth the administrative remedies available to an institution when it receives notice of denial, intent to suspend, or terminate any authorization. Your Committee further finds that this measure would clarify that in these instances, the institution may request an administrative hearing for review as well.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 987 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 328 Higher Education and the Arts on S.B. No. 1147

The purpose and intent of this measure is to appropriate monies out of the University of Hawaii revenue bond fund for renovations, repairs, and improvements to the John A. Burns School of Medicine.

Your Committee received testimony in support of this measure from the University of Hawaii System. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the current facilities of the John A. Burns School of Medicine complex are aging and currently lacking in the maintenance and equipment upgrades that are required by the accrediting body of the John A. Burns School of Medicine. There has also been one recorded injury due to these aging facilities. The appropriated funds in this measure would assist the School of Medicine in bringing the facilities up to date and help ensure the future accreditation of the only accredited school of medicine in the State.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1147 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 329 Higher Education and the Arts on S.B. No. 1239

The purpose and intent of this measure is to reestablish the Governor's authority to nominate and, with the advice and consent of the Senate, appoint members of the University of Hawaii Board of Regents by repealing the Candidate Advisory Council, which currently identifies suitable candidates to serve on the University's Board of Regents.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii Professional Assembly, and two individuals.

Your Committee finds that the Governor's selection and appointment of Board of Regents members is restricted to only those candidates recommended by the Candidate Advisory Council.

Your Committee further finds that the pool of qualified candidates would most effectively and promptly occur through the ratification of a constitutional amendment to Article X, Section 6, of the Hawaii State Constitution. This constitutional amendment would remove provisions related to the Candidate Advisory Council which would subsequently provide the Governor with more flexibility and choice in identifying and appointing the strongest possible Regents for the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1239 and recommends that it pass Second Reading and be referred to the Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 330 Higher Education and the Arts on S.B. No. 1240

The purpose and intent of this measure is to enact a constitutional amendment to Article X, Section 6, of the Constitution of the State of Hawaii to modify the University of Hawaii Board of Regents' appointment process.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii Professional Assembly, and two individuals.

Your Committee finds that the constitutional provision relating to the appointment of members to the University of Hawaii Board of Regents requires that appointment of members be selected from a pool of qualified candidates previously presented to the Governor by the Candidate Advisory Council for the Board of Regents of the University of Hawaii. This current process does not provide the Governor with the most effective means of appointing the strongest possible candidates.

Your Committee further finds that enactment of this constitutional amendment would repeal the requirement that the Candidate Advisory Council provide the Governor with a pool of qualified candidates and would give the Governor greater flexibility in choosing the best possible candidates to serve on the Board of Regents.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1240 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 331 Higher Education and the Arts on S.B. No. 1146

The purpose and intent of this measure is to extend the authority of the University of Hawaii System to maintain a separate accounting and financial management system that is compatible with the State of Hawaii's accounting and financial systems.

Your Committee received testimony in support of this measure from the University of Hawaii System.

Your Committee finds that the University of Hawaii has maintained a separate accounting system since 1986, which has been compatible with both State accounting system requirements and generally accepted accounting principles. Your Committee further finds that the University of Hawaii has recently upgraded its accounting system through its participation in the Kualii Financial System consortium, a university-based financial management software that better meets the unique needs of university systems throughout the United States.

Since the implementation of the Kualii Financial System, the University of Hawaii continues to provide bi-monthly payroll feeds to the Department of Accounting and General Services, in addition to routine and annual financial reports that are included in the State of Hawaii's Annual Consolidated Financial Statements.

Your Committee further finds that if this measure is considered for passage by your Committee on Ways and Means, then your Committee would note that this measure contains citations to session laws from 1923 and 1925 which may require further verification.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1146 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 332 (Joint) Hawaiian Affairs and Education on S.B. No. 778

The purpose and intent of this measure is to require the Department of Education to establish procedures to develop an assessment of statewide performance standards for students in the Kaiapuni program.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Department of Education, Hawaiian Affairs Caucus – Democratic Party of Hawaii, King Kamehameha Hawaiian Civic Club, Kalihi Kalama Hawaiian Civic Club, Keaukaha Community Association, and fourteen individuals. Your Committees received comments on this measure from four individuals.

Your Committees find that this measure will provide for a fairer and more reasonable assessment of students in the Kaiapuni program. In a counterpart to this measure, the House of Representatives adopted language developed and proposed by the Office of Hawaiian Affairs and the Department of Education.

Your Committees have amended this measure by:

- (1) Making the changes proposed by the Office of Hawaiian Affairs and adopted by the House Committee on Ocean, Marine Resources, and Hawaiian Affairs in H.B. No. 874, H.D. 1, which:
 - (A) Requires the Department of Education to develop and implement the annual assessments in the Hawaiian language; and
 - (B) Requires the Department of Education, with the assistance of specified entities, to establish procedures for the development of annual assessments in the Hawaiian language; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and conformity.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 778, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 778, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Education

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Slom).

SCRep. 333 (Joint) Hawaiian Affairs and Human Services and Housing on S.B. No. 992

The purpose and intent of this measure is to:

- (1) Create the Native Hawaiian Welfare Act, which establishes the Na Kupuna Tribunal;
- (2) Create a pilot program for the Native Hawaiian Welfare Act; and
- (3) Create a working group to oversee the Na Kupuna Tribunal.

Your Committees received testimony in support of this measure from the Na Kupuna Tribunal, Na Kupuna O Keokaha, Na Kupuna O Waianae, Legacy Coalition, and four individuals. Your Committees received testimony in opposition to this measure from Hookipa Network Kauai, American Academy of Adoption Attorneys, Center for Hawaiian Sovereignty Studies, and three individuals. Your Committees received comments on this measure from the Office of Information Practices.

Your Committees find that there is a need for services regarding the placement of Hawaiian children who have been displaced by their families. In the past, the Na Kupuna Tribunal has been successful in placing Hawaiian children with families by using the hanai and lawe hanai systems. While the Na Kupuna Tribunal had worked together with the courts and Child Protective Services in the past, the relationship deteriorated over the years. Nevertheless, your Committees believe that the Na Kupuna Tribunal can serve as an invaluable tool for the courts, Child Protective Services, and native Hawaiian children. As such, your Committees find that it is worthwhile for a working group to be formed by the Department of Human Services to determine how the Na Kupuna Tribunal can best assist in child custody matters involving Hawaiian children.

Your Committees have amended this measure by:

- (1) Deleting parts I, II, and III;
- (2) Amending part IV by adding parties to be included in the working group and amending the objectives of the working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 992, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 992, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 334 (Joint) Hawaiian Affairs and Public Safety, Intergovernmental and Military Affairs and Human Services and Housing on S.B. No. 785

The purpose and intent of this measure is to make permanent provisions allowing for affordable housing credits to be requested by the Department of Hawaiian Home Lands and received from each county for units developed on Hawaiian home lands.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands, Sovereign Councils of Hawaiian Homelands Assembly, and one individual. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Department of Planning and Permitting; Kauai County Housing Agency, and Center for Hawaiian Sovereignty Studies.

Your Committees find that affordable housing credits have allowed the Department of Hawaiian Home Lands to gain resources to develop Hawaiian home lands consistent with its mission to return native Hawaiians to their trust lands. Your Committees note the concern raised by the City and County of Honolulu and Kauai County that the unintended effect of this measure may be to reduce their total overall inventory of affordable housing.

Your Committees have amended this measure by:

- (1) Removing language that would have provided a two-for-one credit for affordable housing developed for rental purposes;
- (2) Inserting language that requires the Department of Hawaiian Home Lands to expend twenty-five percent of revenues from the transfer of affordable housing credits for the development of rental units; and
- (3) Inserting an effective date of June 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Public Safety, Intergovernmental and Military Affairs, and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 785, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 785, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Slom).

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 335 (Joint) Hawaiian Affairs and Human Services and Housing and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1100

The purpose and intent of this measure is to make permanent provisions allowing for affordable housing credits to be requested by the Department of Hawaiian Home Lands and received from each county for units developed on Hawaiian home lands.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Department of Planning and Permitting, and Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from one individual.

Your Committees find that affordable housing credits have allowed the Department of Hawaiian Home Lands to gain resources to develop Hawaiian home lands consistent with its mission to return native Hawaiians to their trust lands.

Your Committees have amended this measure by:

- (1) Inserting an effective date of June 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Human Services and Housing, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1100, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1100, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs
Ayes, 4. Noes, none. Excused, 1 (Slom).

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 336 (Joint) Tourism and International Affairs and Water and Land on S.B. No. 617

The purpose and intent of this measure is to:

- (1) Allocate transient accommodations tax revenues to the special land and development fund and the beach restoration and conservation special fund;
- (2) Effectively develop and implement plans to slow the degradation of Hawaii beaches; and
- (3) Restore beaches through the coordination of activities involving the counties and the formation of public-private partnerships.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawaii System, Hawaii Tourism Authority, Hawaii Lodging & Tourism Association, Hawaii Shore and Beach Preservation Association, and Nature Conservancy. Your Committees received comments on this measure from the Department of Budget and Finance, State-County Functions Working Group, and Tax Foundation of Hawaii.

Your Committees find that Hawaii's beaches are important and unique components of the array of natural resources that make our islands a special place for Hawaii residents and an attractive destination for visitors. Recent studies by researchers at the University of Hawaii indicate that Hawaii beaches are disappearing at an alarming rate, with seventy percent of beaches undergoing chronic erosion, over thirteen miles of beach completely lost to erosion, and inappropriate shoreline development over the past century. Because of the growing demand for the use of beaches, your Committees support efficiently distributing limited financial resources to reinvest in Hawaii beaches as important and valuable natural resources and to conserve and restore these important assets.

Your Committees have amended this measure by:

- (1) Specifying that the allocation of transient accommodations tax revenues to the special land and development fund is to be expended pursuant to title 12, Hawaii Revised Statutes, and in accordance with the long-range strategic plan of the Hawaii Tourism Authority and removing the requirement that the expenditure be in accordance with a mutual agreement of the Board of Land and Natural Resources and Board of Directors of the Hawaii Tourism Authority;
- (2) Amending the language authorizing use of the transient accommodations tax revenues allocated to the special land and development fund for certain operation and maintenance costs of public lands to instead be for certain operation and maintenance costs of state parks, beaches, and trails, and costs associated with improving enforcement of ancillary regulations;
- (3) Changing the effective date to be upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 617, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 617, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 337 (Joint) Tourism and International Affairs and Water and Land on S.B. No. 284

The purpose and intent of this measure is to allocate transient accommodations tax revenues to the special land and development fund to be expended in accordance with the long-range strategic plan for tourism developed by the Hawaii Tourism Authority.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Tourism Authority, Hawaii Lodging & Tourism Association, and Nature Conservancy. Your Committees received comments on this measure from the State-County Functions Working Group and Tax Foundation of Hawaii.

Your Committees find that Act 161, Session Laws of Hawaii 2013, in part, allocated \$3,000,000 of transient accommodations tax revenues subject to the mutual agreement of the Board of Land and Natural Resources and the Board of Directors of the Hawaii Tourism Authority in accordance with the Hawaii Tourism Authority strategic plan. Act 161 specified an amount "of the excess revenue deposited into the general fund" but did not provide authority to expend the funds; therefore, to date, the Department of Land and Natural Resources has not received any of the funding intended for it by Act 161 for the 2013-2014 fiscal year or the current fiscal year. Your Committees find that this measure solves the issue of authority to expend the funds.

Your Committees also find that, as recommended in testimony by the Department of Land and Natural Resources, the language of this measure should be further clarified and an effective date of upon approval will allow for access to funds intended to be used during the current fiscal year.

Accordingly, your Committees have amended this measure by:

- (1) Specifying that the allocation of transient accommodations tax revenues to the special land and development fund is to be expended pursuant to title 12, Hawaii Revised Statutes, and in accordance with the long-range strategic plan of the Hawaii Tourism Authority and removing the requirement that the expenditure be in accordance with a mutual agreement of the Board of Land and Natural Resources and Board of Directors of the Hawaii Tourism Authority;
- (2) Amending the language authorizing use of the transient accommodations tax revenues allocated to the special land and development fund for certain operation and maintenance costs of public lands to instead be for certain operation and maintenance costs of state parks, beaches, and trails, and costs associated with improving enforcement of ancillary regulations;
- (3) Changing the effective date to be upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 284, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 284, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 338 (Joint) Tourism and International Affairs and Higher Education and the Arts on S.B. No. 825

The purpose and intent of this measure is to establish a temporary Puerto Rican Exchange Commission to coordinate a cultural exchange program between Hawaii and Puerto Rico, honor and recognize the contributions of the Puerto Rican people, and commemorate the arrival of the Puerto Ricans to Hawaii.

Your Committees received testimony in support of this measure from the State Foundation on Culture and the Arts.

Your Committees find that since the arrival of the first Puerto Ricans in Hawaii on December 23, 1900, the Puerto Rican people have contributed significantly to all phases of Hawaii's development. The rich culture and proud heritage of the Puerto Rican people have been and continue to be positive influences upon life in Hawaii. Your Committees further find that recognition of the contributions of the Puerto Rican people and their culture is important to promotion and awareness of Hawaii's diverse and multicultural society.

Your Committees have amended this measure by:

- (1) Changing the commission termination date from January 1, 2017, to June 30, 2017; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 825, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 825, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 339 Hawaiian Affairs on S.B. No. 1166

The purpose and intent of this measure is to amend the penal code to allow for the treatment of a corpse consistent with traditional Hawaiian cultural customs and practices.

Your Committee received testimony in support of this measure from the Ko'olaupoko Hawaiian Civic Club, Ko'olau Foundation, and three individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs and the Center for Hawaiian Sovereignty Studies.

Your Committee finds that this measure is necessary to clarify confusion about whether the use of traditional Hawaiian customs and practices to prepare human remains for burial or cremation and the burial or cremation of a corpse prepared consistent with those customs and practices violate the law.

Your Committee has amended this measure by inserting language to clarify that:

- (1) The preparation of a corpse consistent with traditional Hawaiian customs and practices; and
- (2) The burial or cremation of a corpse prepared in a manner consistent with traditional Hawaiian customs and practices,

are not a violation of section 711-1108, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1166, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1166, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 340 Hawaiian Affairs on S.B. No. 438

The purpose and intent of this measure is to appropriate funds for the Office of Hawaiian Affairs for the 2015-2017 biennial budget.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Ko'olaupoko Hawaiian Civic Club, and four individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee recognizes the importance of funding the programs of the Office of Hawaiian Affairs, which provide assistance to all Native Hawaiians, regardless of blood quantum. Your Committee commends the Office of Hawaiian Affairs for its fiscal and investment practices, which have resulted in the current levels of its trust corpus; however, your Committee requests that the Office of Hawaiian Affairs consider its policies regarding the amount of the corpus used to fund programs, especially in times where the corpus is at healthy financial levels.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 438 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 341 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1334

The purpose and intent of this measure is to allow law enforcement officers to seize and tow a motor vehicle if the operator is arrested or cited for various alcohol-related traffic offenses.

Your Committees received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, County of Kauai Office of the Prosecuting Attorney, State Highway Safety Council, and Mothers Against Drunk Driving Hawaii.

Your Committees find that this measure is a strong deterrent to drivers who drive while intoxicated. Towing and impoundment are penalties generically referred to as vehicle sanctions. According to testimony, these types of sanctions are favored by many impaired driving researchers, safety organizations, and the National Highway Safety Traffic Administration. The threat of surrendering a vehicle, even temporarily, can deter people from driving while intoxicated.

Your Committees have amended this measure by:

- (1) Deleting references to the term "seizure" since police officers do not actually seize a vehicle;

- (2) Making the towing and storage of the vehicle at the owner's expense; and
- (3) Adding an exemption for community caretaking, which is defined as a situation in which a police officer uses the vehicle for a consensual police-citizen encounter that is unrelated to the investigation or detection of any criminal activity.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1334, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1334, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 7; Ayes with Reservations (English). Noes, none. Excused, 2 (Kidani, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 342 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 233

The purpose and intent of this measure is to allow the respective county directors of finance to enter into contracts with car dealerships and motor vehicle rental companies to register used cars.

Your Committees received testimony in support of this measure from the Hawaii Automobile Dealers Association.

Your Committees find that currently, the registration of used cars or previously owned vehicles is the responsibility of the individual buyer, whereas the registration of new cars is commonly undertaken by the dealership under contracts with the respective county directors of finance.

Your Committees further find that used car dealerships and rental car companies are increasing their sales of used cars in response to growing consumer demand. Car dealers and rental car companies should be able to register used cars when the cars are sold in the same manner as new cars.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 233 and recommend that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 8. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 343 (Joint/Majority) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1160

The purpose and intent of this measure is to establish a three-year pilot photo red light imaging detector system program to improve enforcement of the traffic signal laws in all counties and make other amendments relating to highway safety.

Your Committees received testimony in support of this measure from the Department of Transportation, Hawaii Bicycling League, Mothers Against Drunk Driving Hawaii, and six individuals. Your Committees received testimony in opposition to this measure from five individuals.

Your Committees find that the prevalence of drivers violating Hawaii's traffic laws, especially on the Island of Oahu, has become intolerable, particularly drivers who run red lights. These violations endanger the lives of motorists and pedestrians and compound the already hazardous conditions on Hawaii's roads and highways. It has become increasingly common to hear reports of hit-and-run drivers who have run over children or the elderly. Disregarding traffic signals has also been the common denominator in recent highly-publicized motor vehicle crashes that have claimed lives.

Your Committees further find that in other jurisdictions in the United States, Canada, Europe, and other countries throughout the world, the photo red light imaging detector system has already demonstrated its reliability, efficiency, and effectiveness in identifying and deterring those who run red lights.

Your Committees have amended this measure by:

- (1) Requiring that the photo red light imaging detector system program begin at three locations to be selected by the Department of Transportation based on data relating to violations and accidents;
- (2) Inserting an effective date of July 30, 2022, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1160, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1160, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 6; Ayes with Reservations (Dela Cruz). Noes, 2 (English, Kouchi). Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 344 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 551

The purpose and intent of this measure is to require all minors under the age of eighteen years to wear a safety helmet while operating or riding as a passenger on a motorcycle, all-terrain vehicle, and any other off-road vehicle.

Your Committees received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; The Queen's Health Systems; State Highway Safety Council; Mothers Against Drunk Driving Hawaii; and one individual. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that if higher rates of individuals wore helmets, there would be very positive safety outcomes. According to testimony, a number of rigorous studies have shown that states with high rates of helmet use have lower rates of head injury than states with low helmet use. In addition, studies have shown that when states repeal helmet laws a dramatic rise in loss of life from head injuries among motorcyclists ensues. The requirement of helmets by minors is particularly important where minors are operators or passengers on motorcycles, all-terrain vehicles, and other off-road vehicles.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 551 and recommend that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 7; Ayes with Reservations (Kouchi). Noes, none. Excused, 2 (Kidani, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 345 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 19

The purpose and intent of this measure is to make permanent the county surcharge on state tax.

Your Committees received testimony in support of this measure from the Office of the Mayor, City and County of Honolulu; Honolulu Authority for Rapid Transportation; International Brotherhood of Electrical Workers Local Union 1186; Hawaii State AFL-CIO; Hawaii Laborers-Employers Cooperation and Education Trust; Faith Action for Community Equity; Hawai'i Construction Alliance; Castle & Cooke Hawai'i; Pacific Resource Partnership; Hawaii Regional Council of Carpenters; Hawaii Masons' Union Local #1; Hawaii Operating Engineers Stabilization Fund; and two individuals. Your Committees received testimony in opposition to this measure from twenty-four individuals. Your Committees received comments on this measure from the Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii.

Act 247, Session Laws of Hawaii 2005, enacted a county surcharge on state tax in the amount of one-half percent on excise taxes. The surcharge is for operating or capital costs of a locally preferred alternative for a mass transit project in Honolulu and for public transportation in the other counties, as well as expenses in complying with the Americans with Disabilities Act.

Your Committees find that the rail transit project of the Honolulu Authority for Rapid Transportation is in serious financial jeopardy which threatens the likelihood of completion of the project by 2022, when the surcharge is set to expire. The financial difficulties are attributable to:

- (1) Lawsuits that have caused planning and construction delays;
- (2) Declining general excise tax revenues;
- (3) Higher construction bids than were forecasted in the construction budget several years ago; and
- (4) Escalating material and labor costs for construction in Hawaii.

According to testimony of the Honolulu Authority for Rapid Transportation, the construction costs next year alone will be ten to fifteen percent over budget. The Honolulu Authority for Rapid Transportation must prove to bidders that it has sufficient money to pay the selected contractors five to seven years from now, since major construction projects such as the rail project typically have long horizons.

Your Committees further find that if the rail project is not completed, then the City will have to pay back federal grant monies of \$1,550,000,000. The federal Full Funding Grant Agreement provided the City with that amount in new starts funding. The agreement states that the City has an obligation to complete this project under the time frame specified in the agreement, regardless of any financial challenges the City might encounter. If the City defaults on this agreement, then the City will face even greater fiscal challenges, including repayment of these federal funds.

Your Committees further find that traffic on Oahu is continually getting worse. Each year, there are thousands of new vehicles on the road creating additional gridlock, increased frustration, and more time spent in a vehicle instead of at home with loved ones or engaging in other preferred activities. Increasingly, commuters from West Oahu face the daunting reality that traveling to Honolulu and back to West Oahu can take upwards of three to four hours.

Your Committees further find that rail transit construction, as well as eventual operation, provides jobs, efficient transportation, more quality time for families by avoiding traffic congestion while also saving families the costs of wear and tear on their vehicles, helps control urban sprawl, and enhances the creation of affordable housing through transit oriented development.

Your Committees have amended this measure by:

- (1) Adding a purpose section;
- (2) Diverting half of the ten percent administrative fee collected by the State to transit oriented development projects;
- (3) Extending the opportunity for other counties to adopt an ordinance to levy a county surcharge on state tax to an unspecified date;
- (4) Extending the sunset date of the county surcharge on state tax to December 31, 2047;
- (5) Requiring the Honolulu Authority for Rapid Transportation to complete the entire rail transit project by December 31, 2047, including extensions of the project to Ala Moana Center, the University of Hawaii at Manoa, and downtown Kapolei;
- (6) Requiring that buildings comprising each rail transit station be integrated so that all buildings are physically connected, except at Honolulu International Airport and Pearl Harbor rail stations;
- (7) Requiring the City and County of Honolulu to plan transient oriented development to accommodate the anticipated growth in population;
- (8) Requiring the Auditor to conduct a financial and management audit of the Honolulu Authority for Rapid Transportation and its rail transit project;
- (9) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 19, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 19, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 8. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 346 (Joint) Water and Land and Tourism and International Affairs on S.B. No. 1173

The purpose and intent of this measure is to require the Department of Land and Natural Resources to engage in negotiations to acquire certain lands of Kapua with excess revenues derived from the transient accommodations tax.

Your Committees received comments on this measure from the Department of Land and Natural Resources, Department of Budget and Finance, Tax Foundation of Hawaii, and State-County Functions Working Group.

Your Committees find that the lands of Kapua in Miloli'i on the island of Hawaii are a scenic wonder with breathtaking shoreline views that are slated for resort development by its owner, The Resort Group. The lands of Kapua comprise at least 6,000 acres in South Kona that are classified as agricultural or conservation land. The Resort Group acquired the land from the Kamehameha Schools/Bishop Estate.

Your Committees further find that the State should seek to acquire Kapua in the interests of preserving the area's diminishing pristine condition for future generations while ensuring the preservation of agriculture and the prudent economic development of the area.

Your Committees are in the process of obtaining the tax map key numbers of the subject property and will advise your Committee on Ways and Means accordingly.

Your Committees have amended this measure by:

- (1) Qualifying the references to "lands of Kapua" by adding "commonly known as Miloli'i";
- (2) Requiring the Department of Land and Natural Resources to consult with The Trust for Public Lands, rather than the Hawaiian Islands Land Trust; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Water and Land and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1173, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1173, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 347 Water and Land on S.B. No. 1126

The purpose and intent of this measure is to:

- (1) Increase the reimbursement rate to help program participants cover the cost of developing an approved forest stewardship management plan;
- (2) Clarify that program applicants must enter into a program implementation agreement with the Board of Land and Natural Resources upon approval of the forest stewardship management plan to receive program funding;
- (3) Clarify that long-term leaseholders are eligible to participate in the program; and
- (4) Add a definition of “program implementation agreement” for clarity.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and The Nature Conservancy.

Your Committee finds that the forest stewardship program provides technical and financial assistance to private landowners or long-term leaseholders of forests in managing, protecting, and restoring important natural resources in Hawaii’s forested and formerly forested lands. Over one-half of Hawaii’s forested areas are privately managed. The program enables participants to responsibly manage important forest resources that provide vital public and private socioeconomic and environmental benefits.

Your Committee further finds that with the withdrawal of much of Hawaii’s agricultural industries, the forest stewardship program encourages the restoration, forest production, and conservation of degraded agricultural areas with native forest systems. The program also stimulates investment in forestry as an economically viable land-use alternative that supplies Hawaii’s rural communities with a source of revenue, provides locally grown products and energy to reduce Hawaii’s dependence on imported goods, and contributes environmental benefits, such as clean water and habitat for Hawaii’s native wildlife.

The forest stewardship program allows landowners to access natural resource experts to help program participants responsibly and sustainably manage forest resources. This knowledge transfer improves the management of privately managed forest lands, which benefits the public by increasing freshwater resources, providing habitat for native wildlife, reducing soil erosion and sedimentation on coral reefs, identifying and controlling invasive species, and creating smart sustainable communities.

Your Committee has amended this measure by:

- (1) Restoring language that limits forest product development to forests where native vegetation was removed prior to January 1, 1991;
- (2) Reinstating the requirement in section 195F-5, Hawaii Revised Statutes, that a forest stewardship program applicant prepare and submit a forest stewardship management plan to the Board of Land and Natural Resources; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1126, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1126, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 348 (Joint) Water and Land and Hawaiian Affairs on S.B. No. 470

The purpose and intent of this measure is to clarify that any equipment, article, instrument, aircraft, vehicle, vessel, business record, or natural resource used or taken in violation of the rules applicable to the Kaho’olawe Island Reserve may be seized and subject to forfeiture.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Kaho’olawe Island Reserve Commission, and fourteen individuals. Your Committees received testimony in opposition to this measure from the Ocean Tourism Coalition, Windward Sea Yacht Charters, and Aqua Lung Pacific. Your Committees received comments on this measure from the Department of the Attorney General and three individuals.

Your Committees find that Kaho’olawe, a kinolau of Kanaloa, remains a piko of Hawaiian culture yet still retains visible scars from decades of previous mismanagement. Kaho’olawe was critical to the Hawaiian cultural renaissance and continues to serve as an integral education center for traditional navigation, hula, natural resource management, and other cultural traditions and disciplines.

Your Committees further find that while numerous laws and rules have been adopted to respect, restore, and protect Kaho’olawe and its natural and cultural resources, the relative isolation of the island substantially inhibits the enforcement of these laws and rules. Asset forfeiture, as a civil enforcement mechanism, may therefore be a critical tool to address and deter violations of these important laws and rules.

Your Committees, upon consultation with the Department of the Attorney General, have amended this measure by:

- (1) Clarifying that property or natural resources used or taken in violation of chapter 6K, Hawaii Revised Statutes, or rules adopted by the Department of Land and Natural Resources or the Kaho’olawe Island Reserve Commission may be subject to seizure and disposal in accordance with the procedures under current law if the offense occurs within the fast lands of the

Reserve or by persons or on vessels located in the area extending seaward one nautical mile of the shoreline of Kaho‘olawe Island;

- (2) Directing the Department of Land and Natural Resources to adopt administrative rules identifying the types of rule violations that may warrant asset forfeiture;
- (3) Deleting the unnecessary enumeration of the offenses, subject to forfeiture since offenses can be set out in administrative rules;
- (4) Deleting the unnecessary amendment to section 6K-6, Hawaii Revised Statutes, relating to rulemaking authority of the Kaho‘olawe Island Reserve Commission, since it is duplicative of other provisions in the measure;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 470, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 470, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5; Ayes with Reservations (Ruderman). Noes, none. Excused, 2 (Ihara, Slom).

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 349 (Joint) Water and Land and Human Services and Housing on S.B. No. 763

The purpose and intent of this measure is to:

- (1) Require the Department of Land and Natural Resources, in consultation with the Department of Human Services, to establish mobile home parks throughout the State for persons whose family income is no more than 250 percent of the federal poverty level; and
- (2) Allow the private sector to develop mobile home parks, which could help solve the homeless crisis in the State at no cost to taxpayers.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources; Department of Health; Hawaii Public Housing Authority; Office of Hawaiian Affairs; and one individual.

Your Committees find that the lack of affordable housing and rentals has forced some residents to live or sleep on sidewalks or in cars, business entrances, underpasses, and other public and private locations not meant for habitation.

H.C.R. No. 202, H.D. 1, S.D. 1, Regular Session of 2006, directed the Housing and Community Development Corporation of Hawaii to study the potential of mobile home parks as a solution to Hawaii’s affordable housing crisis and submit a report of its findings and recommendations to the Legislature. The report discussed the development costs, construction, infrastructure, land use, and zoning issues related to the potential of manufactured housing communities in the State.

Your Committees believe that mobile home parks would be a viable solution to the affordable housing crisis.

Your Committees have amended this measure by:

- (1) Authorizing the Hawaii Public Housing Authority, instead of the Department of Land and Natural Resources, to establish mobile home parks, consult and coordinate with appropriate county agencies and nonprofit organizations, and adopt rules;
- (2) Changing the expending agency to the Department of Human Services;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 763, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 763, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 350 Government Operations on S.B. No. 1358

The purpose and intent of this measure is to require the State Procurement Office to establish a database of all government procurement contract data, accessible to each governmental body.

Your Committee received testimony in support of this measure from the Ulupono Initiative and Hawaii Operating Engineers Industry Stabilization Fund. Your Committee received comments on this measure from the State Procurement Office and City and County of Honolulu Department of Budget and Fiscal Services.

Your Committee finds that the establishment of a statewide procurement database is consistent with transparency and accountability in government contracting. The database may lead to better standardization of contracting practices across the State. A meaningful database requires thoughtful organization, adequate training for database users, and inclusion of important information.

Your Committee has amended this measure by specifying the data that each governmental body shall provide to the State Procurement Office for inclusion in the procurement contract database.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1358, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1358, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 351 Government Operations on S.B. No. 1115

The purpose and intent of this measure is to amend the definition of “public buildings, facilities, and sites” under section 103-50, Hawaii Revised Statutes, to exempt certain construction projects constructed on state or county lands that would not ordinarily be open to public access from mandatory review by the Disability and Communications Access Board.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board.

Your Committee finds that section 103-50, Hawaii Revised Statutes, is not intended to require certain private entities operating upon state or county lands to be held to the compliance standards of the Americans with Disabilities Act or to submit building plans for review by the Disability and Communication Access Board. Farm buildings constructed upon state agricultural land and private homes constructed upon a Hawaiian homestead plot are examples of buildings that were not intended to be regulated under section 103-50, Hawaii Revised Statutes, but could arguably fall under the Disability and Communication Access Board’s purview according to existing statutory language. This measure seeks to align statutory language with intent and practice.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1115, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1115, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 352 (Joint) Human Services and Housing and Water and Land on S.B. No. 976

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and the appropriation of funds for the planning, design, and construction of the Juvenile Services Center portion of the mixed-use project at 902 Alder Street, Honolulu, Oahu.

Your Committees received testimony in support of this measure from the Judiciary, Hawaii Housing Finance and Development Corporation, and Catholic Charities Hawai‘i. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that there are underutilized parcels of state land in the urban core of Honolulu that could be developed into mixed-use residential projects, providing space for government offices, social services, and affordable housing. 902 Alder Street, Honolulu, Oahu, currently set aside by Executive Order to the Juvenile Court of the First Circuit, is one such parcel.

Your Committees further find that the Judiciary and Hawaii Housing Finance and Development Corporation have entered into a memorandum of agreement to develop a mixed-use residential project that includes a Juvenile Services Center that would be integrated with an affordable rental housing project for working families at 902 Alder Street. The workforce housing component of the mixed-use project will provide approximately one hundred eighty units for lower income families.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 976 and recommend that it pass Second Reading and be referred to the Committees on Ways and Means and Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 353 (Joint) Human Services and Housing and Water and Land on S.B. No. 974

The purpose and intent of this measure is to:

- (1) Authorize the rental housing trust fund to be used for spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units;
- (2) Establish a separate mixed-use residential development subaccount within the rental housing trust fund to make loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units;
- (3) Clarify that assistance from the rental housing trust fund may be made for new construction, rehabilitation, or preservation of spaces for public uses in mixed-use residential developments; and
- (4) Make an appropriation for deposit into the mixed use residential development account.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawai'i, Chamber of Commerce Hawaii, Building Industry of Hawaii, and PHOCUSED.

Your Committees find that the State needs to add creative ways to create more affordable housing. This measure allows different state departments to work together in developing housing. It's possible that such partnerships could provide a legacy of affordable housing for the current and future residents of Hawaii.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 974 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 354 (Joint) Human Services and Housing and Water and Land on S.B. No. 741

The purpose and intent of this measure is to require the Hawaii Housing Finance and Development Corporation to establish a community land trust for the purpose of selling homes to low- and moderate-income homebuyers.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation.

Your Committees find that the Office of Housing and Community Development in Hawaii County has previously committed to developing its Waialoa workforce housing project under a community land trust model by selecting a developer and creating a non-profit entity to serve as the community land trust. Under this model, the project is providing fee simple homeownership at prices that are substantially lower than those originally proposed under a community land trust.

Your Committees have amended this measure by specifying that the Hawaii Housing Finance and Development Corporation is authorized, not required, to establish a community land trust.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 741, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 741, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 355 (Joint) Tourism and International Affairs and Agriculture on S.B. No. 1073

The purpose and intent of this measure is to:

- (1) Provide that agricultural tourism uses or activities, including overnight accommodations for stays of less than thirty consecutive days, conducted in conjunction with a bona fide farming operation, are permissible in an agricultural district; and
- (2) Ensure that bona fide farming operations that meet the statutory criteria would not be required to obtain a special permit pursuant to section 205-6, Hawaii Revised Statutes, for accessory agricultural tourism uses and activities.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Land Use Commission; Office of Planning; Hawaii Crop Improvement Association; and Hawaii Farm Bureau. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from one individual.

Your Committees find that supporting agricultural tourism and offering overnight accommodations support economic development and contribute to the State's goals of increased food security and food self-sufficiency. Your Committees also find that, as raised in testimony, a concise definition of "bona fide farming operations" ensures that agricultural tourism activities are properly established and that abuse is reduced.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1073, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1073, S.D. 1, and be referred to the Committee on Water and Land.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Riviere, Thielen). Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 356 (Joint) Hawaiian Affairs and Government Operations on S.B. No. 1236

The purpose and intent of this measure is to require state agencies to award not less than twenty percent of the total value of their procurement contracts to native Hawaiian organizations.

Your Committees received testimony in support of this measure from Ko'olaupoko Hawaiian Civic Club, Ko'olau Foundation, and Native Hawaiian Chamber of Commerce. Your Committees received testimony in opposition to this measure from the State Procurement Office, Honolulu Department of Budget and Fiscal Services, and Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees finds that it should be a goal of the State to support programs that promote and support native Hawaiian businesses and organizations. In its testimony, this sentiment is shared by the State Procurement Office; however, the State Procurement Office has represented to your Committees that while it supports the intent of this measure, it nevertheless must oppose its passage. According to the State Procurement Office, the State already has a small business set-aside law; however, to date, that program has been ineffective due to the inability to adopt rules for its implementation. Under the new state administration, there is a renewed effort by the State Procurement Office to implement the small business set-aside law. To that end, the current State Procurement Office administration has been engaging stakeholders for their input so that the problems that caused past failures can be avoided. The State Procurement Office has requested that rather than passing the current version of this measure, that your Committees support their efforts to effectuate the existing small business set-aside law. Once done, the small business set-aside law would serve as an appropriate platform to support individual programs for specific groups of small business such as native Hawaiians, women, veterans, and the disabled. Upon further discussion, your Committees find that they should support the State Procurement Office's efforts to effectuate the small business set-aside law so that ultimately, programs for native Hawaiian organizations and other groups can be developed and successfully implemented.

Your Committees have amended this measure by:

- (1) Deleting the contents of the original measure;
- (2) Inserting language submitted by the State Procurement Office calling for the Small Business Regulatory Review Board to issue rules to define a "small business" under chapters 103D and 201M, Hawaii Revised Statutes, including rules to promote the growth and development of small business and set asides for small businesses in appropriate classifications, including Native Hawaiian organizations and veteran-owned organizations;
- (3) Inserting language to establish the Small Business Office and state small business program within the Department of Business, Economic Development, and Tourism; and
- (4) Amending the effective date to be upon approval.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1236, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1236, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 357 (Joint) Hawaiian Affairs and Government Operations on S.B. No. 436

The purpose and intent of this measure is to require the Office of Hawaiian Affairs to administer a training course on native Hawaiian and Hawaiian rights for appropriate agencies and employees and to require members of certain state councils, boards, and commissions to complete the training.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Department of Land and Natural Resources, Land Use Commission, Association of Hawaiian Civic Clubs, King Kamehameha Hawaiian Civic Club, Koolaupoko Hawaiian Civic Club, Society for Hawaiian Archaeology, Hawaiian Green Growth, Kalihi Palama Hawaiian Civic Club, Kuaaina Ulu Aumao, Koolau Foundation, and nine individuals. Your Committees received testimony in opposition to this measure

from the Center for Hawaiian Sovereignty Studies and Land Use Research Foundation. Your Committees received comments on this measure from one individual.

Your Committees find that the program developed pursuant to this measure would provide an opportunity to ensure that key government policymakers understand their fiduciary obligation to the native Hawaiian people and culture. In recognition that this measure is recommended to be referred for consideration by your Committee and Ways and Means, your Committees note that the Office of Hawaiian Affairs is willing to develop and provide this training program to benefit government agencies and employees without any fiscal impact to the state budget.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 436 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 358 (Joint) Hawaiian Affairs and Government Operations on S.B. No. 895

The purpose and intent of this measure is to require that all newly created, replaced, or reprinted state and county documents, letterheads, symbols, and emblems contain accurate, appropriate, and authentic Hawaiian names and language.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs and three individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that in recent decades, great strides have been made to bring about a renaissance of the Hawaiian language. In order to continue that momentum and perpetuate the Hawaiian language, its usage must become normalized. This measure would be one more step to normalize the usage of the Hawaiian language.

Your Committees have amended this measure by:

- (1) Adding language proposed by the Department of the Attorney General providing that any error of punctuation or diacritical marking in a document shall not render that document unenforceable; and
- (2) Making technical, nonsubstantive changes for the purposes of clarity and consistency.

Your Committees notes that the amendment identified in paragraph (1) was not incorporated into the Hawaiian language portion of this measure. Therefore, if your Committee on Ways and Means chooses to hear this measure and vote to pass this measure out while retaining the amending language in paragraph (1), your Committee on Ways and Means may want to consider inserting identical Hawaiian language in the appropriate section of this measure.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 895, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 895, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 359 (Majority) Agriculture on S.B. No. 594

The purpose and intent of this measure is to require coffee blends to contain a specific listing of the geographic origins of Hawaii-grown coffees and various coffees not grown in Hawaii included in the blend on the front panel of the label and requires coffee blends labeled or advertised from a specific geographic origin to contain at least eighty percent of coffee from that geographic origin.

Your Committee received testimony in support of this measure from the Kona View Coffee; Kona Coffee Farmers Association; Lyman Kona Coffee Farms; Athena of Hawaii Coffee LLC; Hale Kai Lana, Inc.; Kawanui Farm; Hawaii Farmers Union United; Kona Sunset Farmers Market; Aikane Kona Coffee; Blue Corner Coffee; Lavarock Farm; Cyanotech Corporation; and nineteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii Food Industry Association; Hawaii Food Manufacturers Association; Hawaiian Isles Kona Coffee; Heavenly Hawaiian Farms; Hawaii Lodging & Tourism Association; Hawaii Coffee Growers Association; Hawaiian Paradise Coffee; Hawaii Coffee Association; Harold L. King Co., Inc.; Mainland Ventures; Kau Coffee Mill; Paradise Beverages, Inc.; Kona Horizons; Retail Merchants of Hawaii; Hawaii Restaurant Association; McDonald's of Hawaii; Intelligent Blends; Honolulu Coffee; and twenty-eight individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that Hawaii is home to diverse climates, soils, traditions, practices, and people that produce a wide variety of high-quality and high-value agricultural products unique to specific geographic origins. Coffee is one such product with a given quality, reputation, or characteristic attributable to its geographic origin. Your Committee finds that it is imperative to protect the quality and brand-name of Hawaii-grown coffee by ensuring that consumers understand how much Hawaii-grown coffee is contained in a coffee blend.

Your Committee has amended this measure by:

- (1) Inserting language to allow coffee blend labels to list “imported coffee” with the percentage by weight of the imported coffees contained in the blend in the aggregate;
- (2) Inserting language to explicitly require all type used for the list of coffee blend contents to be of the same size;
- (3) Deleting language amending the threshold percentage of coffee by weight from a geographic origin that is required in a coffee blend labeled or advertised from that specific geographic origin; thereby retaining in statute the current threshold amount of ten percent; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 594, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 594, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Taniguchi). Excused, 2 (Wakai, Slom).

SCRep. 360 (Joint) Agriculture and Water and Land on S.B. No. 1162

The purpose and intent of this measure is to prevent the loss of large-scale agricultural parcels and to ensure that future use of agricultural lands is for bona fide agricultural operations.

Your Committees received testimony in support of this measure from the Office of Planning, Hawaii Farmers Union United, and one individual. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii, Building Industry Association of Hawaii, and Hawaii Farm Bureau. Your Committees received comments on this measure from the Department of Agriculture and the Agribusiness Development Corporation.

Your Committees find that the Hawaii State Plan goal of a strong, viable economy can be accomplished through expanded agriculture throughout the islands, which requires preservation of large parcels of agricultural lands. Commercially viable agriculture requires large contiguous parcels for operation. Your Committees further find that the subdivision of agricultural lands and approval of condominium property regimes must be scrutinized.

Your Committees also find that it is important to address the concerns raised by the Department of Agriculture and the Agribusiness Development Corporation regarding the need to subdivide parcels, particularly in respect to the agricultural parks program, and the concerns voiced by the Hawaii Farm Bureau regarding the need for smaller parcels to be used as smaller farms; however, it is also necessary to retain the few remaining tracts of undivided agricultural land with good soil and take action to prevent the fractionalization of agricultural land by entities other than bona fide commercial farmers.

Accordingly, your Committees have amended this measure by:

- (1) Exempting a landowner applicant who is the Department of Agriculture, the Agribusiness Development Corporation, or a bona fide commercial farmer from the subdivision prohibition;
- (2) Defining “bona fide commercial farmer”;
- (3) Defining “subdivision”; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1162, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1162, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 361 (Joint) Commerce and Consumer Protection and Transportation on S.B. No. 1280

The purpose and intent of this measure is to:

- (1) Require the Public Utilities Commission to regulate transportation network companies; and
- (2) Establish requirements for persons who operate or serve as drivers for transportation network companies.

Your Committees received testimony in support of this measure from Uber Technologies, Inc. Your Committees received testimony in opposition to this measure from the Hawaii Insurers Council; Hawaii Transportation Association; Property Casualty Insurers Association of America; GEICO Insurance Agency, Inc.; and EcoCab Hawaii. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs; Public Utilities Commission; National Association of Mutual Insurance Companies; USAA; and State Farm Mutual Automobile Insurance Company.

Your Committees find that transportation network companies are entities that use a digital network or software application service to connect passengers with a transportation network company driver who is offering services using the driver's personal vehicle. Transportation network companies have become increasingly popular throughout the country, including in Hawaii, and have expanded transportation options for the benefit of the public. However, your Committees note that transportation network companies are not currently regulated in the State. Since transportation network companies are engaged in a new form of commercial transportation, it is appropriate for these companies to be required by state law to be responsible for commercial transportation liability issues created by their business activities.

Your Committees further find that the transportation network company model requires transportation network company drivers to transport passengers for hire in the transportation network company driver's private vehicle. As these activities are commercial in nature, the transportation network company driver's personal automobile insurance policy may not provide a duty to defend or any insurance coverage for the commercial transportation use of the transportation network company driver's personal automobile.

Your Committees conclude that amendments to this measure are necessary to provide a level playing field for commercial motor carriers in Hawaii; ensure transparency between transportation network companies and their drivers and adequate consumer protection for passengers; diminish potential disputes between insurers related to transportation network company services; and ensure that the services provided by transportation network companies do not affect the rates of all purchasers of personal automobile insurance policies.

Accordingly, your Committees have amended this measure by:

- (1) Inserting a definition for "transportation network company activity";
- (2) Requiring transportation network companies to disclose to transportation network company drivers:
 - (A) The insurance coverage and limits of liability that the transportation network company provides; and
 - (B) That the transportation network company driver's personal automobile insurance policy will not provide required or optional coverage during transportation network company activity;
- (3) Specifying certain requirements for the amount of primary commercial motor vehicle insurance that must be in effect during transportation network company activity;
- (4) Clarifying the limits of personal automobile insurance policies during transportation network company activity;
- (5) Requiring a transportation network company driver to carry proof of commercial motor vehicle insurance while the driver's vehicle is being used in connection with transportation network company service or activity;
- (6) Requiring an individual to submit evidence of a physical examination to determine the individual's health and fitness to act as a transportation network company driver;
- (7) Specifying that conviction of any domestic violence offense will disqualify a person from acting as a transportation network company driver;
- (8) Requiring individuals to be at least twenty-one years of age prior to becoming a transportation network company driver;
- (9) Requiring a transportation network company to maintain global positioning system records and electronic records of transportation network company activity for each individual trip provided by a transportation network company driver, for purposes of claims coverage investigations or resolving other disputes related to transportation network company activity; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1280, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1280, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce and Consumer Protection

Ayes, 6; Ayes with Reservations (Taniguchi). Noes, none. Excused, 1 (Slom).

Transportation

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Espero, Slom).

SCRep. 362 (Joint) Human Services and Housing and Health and Tourism and International Affairs on S.B. No. 1327

The purpose and intent of this measure is to ensure that Compact of Free Association (COFA) residents and other lawfully present legal permanent residents have access to affordable health care by:

- (1) Requiring the State to pay costs assessed on low-income COFA and other lawfully present legal permanent residents who receive health care through the Hawaii Health Connector and would otherwise be eligible for Medicaid except for their citizenship status;
- (2) Requiring the Department of Human Services to engage in community outreach to noncitizen resident communities to provide assistance with transfer and enrollment in health insurance plans through the Hawaii Health Connector; and
- (3) Appropriating funds to the Department of Human Services for health insurance costs addressed in this measure and community outreach.

Your Committees received testimony in support of this measure from the Hawaii Primary Care Association; Kokua Kalihi Valley Health Center; Queen's Health Systems; PHOCUSED; Catholic Charities Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Niu Health Chiropractic; Pacific Alliance to Stop Slavery; HealthyPacific.org; Filipino Law Students Association, University of Hawaii at Manoa; SHIP-HOOPS; Hawaii Coalition for Immigrant Reform; and twenty-one individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Human Services, Department of the Attorney General, Hawaii Medical Service Association, and two individuals.

Your Committees find that certain noncitizens who are lawfully present in the United States, including Hawaii COFA residents, are ineligible for Medicaid. Your Committees further find that this measure seeks to advance the Patient Protection and Affordable Care Act's goal of increased health care access by assisting noncitizen residents, who must now access health insurance through the Hawaii Health Connector, with premium costs, co-payments, and deductibles. Specifically, this measure will help make health insurance affordable for approximately seven thousand five hundred non-pregnant, non-aged, non-blind, and non-disabled adult COFA noncitizen residents in Hawaii.

Your Committees heard testimony from the Hawaii Medical Service Association and others expressing concern that it will be operationally challenging for the Department of Human Services to pay the health providers directly for individuals' co-payments and deductibles because there is no system in place to accommodate this function, and that creating a suitable system would require additional resources. Your Committees find that this issue raises concerns that merit further consideration.

Your Committees have amended this measure by:

- (1) Broadening the group of eligible noncitizens covered to ensure compliance with equal protection laws;
- (2) Inserting blank appropriation amounts; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing, Health, and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1327, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1327, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

Health

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Sлом).

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Sлом).

SCRep. 363 (Joint) Higher Education and the Arts and Water and Land on S.B. No. 504

The purpose and intent of this measure is to:

- (1) Include only buildings, structures, objects, districts, areas, or sites that are significant in Hawaiian history, architecture, archaeology, engineering, or culture in the definition of "historic property";
- (2) Require the State Historic Preservation Division of the Department of Land and Natural Resources (SHPD) to initiate a pilot reconnaissance architectural survey project to inventory the historic buildings in the State;
- (3) Require SHPD to develop a list of types of projects that have no potential to affect a historic property and to provide the list to the public and the counties;
- (4) Require SHPD to develop lists of properties likely to be ineligible for inclusion on the Hawaii Register of Historic Places and to provide those lists to the counties; and
- (5) Require SHPD to identify properties that are likely to be eligible for inclusion on the Hawaii Register of Historic Places and notify the property owner of the property's likely eligibility.

Your Committees received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, Hawaii Association of REALTORS, Land Use Research Foundation, and one individual. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Building Industry Association of Hawaii, Society for Hawaiian Archaeology, Native Hawaiian Legal Corporation, Complete Construction Services Corp., and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources, County of Hawaii Planning Department, County of Maui Planning Department, Chamber of Commerce Hawaii, Historic Hawaii Foundation, Building Industry Association of Hawaii, Hawaii Geophysical Services, National Utility Locating Association, and one individual.

Your Committees find that there is a need to recognize the importance of historic preservation, the aging housing stock and rising housing prices, and the inefficiency of using limited State Historic Preservation Division funds to attempt to preserve single-family residences through a reactive building permit review instead of a proactive survey of historic properties.

Your Committees further find that thorough documentation of Hawaii properties eligible for historic preservation status is critical for the appropriate distribution of State resources and will provide a more accurate listing of historic properties on the Hawaii Register of Historic Places.

Your Committees have amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Amending the definition of “historic property” by deleting the requirement that the property be significant in Hawaiian history, architecture, archaeology, engineering, or culture, and possess integrity of location, design, setting, materials, workmanship, feeling, or association, as well as meet other criteria;
- (3) Further amending the definition of “historic property” by adding language to clarify that privately owned single-family residences fifty years or older shall only be considered historic properties if the residence is listed on the Hawaii Register of Historic Places, is nominated for listing on the Hawaii Register of Historic Places, or is located in a historic district;
- (4) Deleting the requirements that SHPD:
 - (A) Initiate a pilot reconnaissance architectural survey project to inventory the historic buildings in the State;
 - (B) Develop a list of the types of projects that have no potential to affect a historic property and to post the list on the Department of Land and Natural Resource’s website and provide the counties with the list no later than October 1, 2015; and
 - (C) Develop a list of properties that are not eligible for inclusion on the Hawaii Register of Historic Places and provide the list to the counties no later than January 2, 2016;
- (5) Inserting language requiring SHPD to conduct a survey, rather than develop a list, to identify potential historic districts and single-family residences, rather than all types of properties, that may be eligible for inclusion on the Hawaii Register of Historic Places;
- (6) Deleting the January 2, 2016, deadline for the requirement that SHPD notify property owners of likely eligibility of their properties for potential inclusion on the Hawaii Register of Historic Places;
- (7) Inserting language to require SHPD to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018;
- (8) Inserting blank appropriation amounts to the Department of Land and Natural Resources to carry out the purposes of this measure;
- (9) Inserting an effective date of July 1, 2050, to encourage further discussion;
- (10) Repealing this measure on December 31, 2018; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 504, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 504, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

Water and Land

Ayes, 5; Ayes with Reservations (Ihara). Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 364 Human Services and Housing on S.B. No. 352

The purpose and intent of this measure is to provide adoptees who have attained eighteen years of age unfettered access to the adoptee’s adoption records.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that it is difficult for adoptees to obtain access to their adoption records because Hawaii’s adoption record law conditions access to adoption records on birthparent approval. Historically, adoptees’ access to adoption records was limited due to the prevailing idea that adopted children were better off if they were unaware of their adoption. Your Committee finds, however, that current research indicates that the secrecy surrounding adoption actually has detrimental effects on adoptees and that adoptees have a significant interest in learning their familial history for various reasons, including for purposes related to health care diagnosis and treatment.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 352, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 352, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 365 Human Services and Housing on S.B. No. 899

The purpose and intent of this measure is to fund the kids’ savings project so that it can continue delivering hands-on money management learning opportunities to Hawaii students.

Your Committee received testimony in support of this measure from the Hawaii Alliance for Community-Based Economic Development and one individual.

Your Committee finds that teaching financial literacy in the K-12 setting benefits children, families, and the State. Recent research demonstrates numerous positive implications of teaching children and parents the fundamentals of early savings and financial education. For example, research shows that even modest savings for college are associated with higher college aspirations, enrollment, and graduation.

Your Committee recognizes that Hawaii parents want their children to learn about finances, with ninety-six percent of 1,764 surveyed parents expressing interest in a school-based savings program for their children. Your Committee finds that by partnering with local financial institutions to establish savings accounts for students, the kids' savings project has helped Hawaii students save over \$450,000 since the 2008-2009 school year. Moreover, the program furthers the Consumer Financial Protection Bureau's recommendation for financial education to provide opportunities for students to practice money management with hands-on exercises.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 899, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 899, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 366 Human Services and Housing on S.B. No. 938

The purpose and intent of this measure is to establish penalties for caregivers who fail to report the death or disappearance of a child to law enforcement or who provide false information to law enforcement authorities.

Your Committee received testimony in support of this measure from the Honolulu Police Department, Hawaii Police Department, Kauai Police Department, Hawaii Catholic Conference, Hawaii Family Forum, and Hawaii State Coalition Against Domestic Violence.

Your Committee finds that time is of the essence in the initial search for a missing child and the beginning of an investigation of the death of a child. Your Committee further finds that caregivers should be held accountable to report truthful information to law enforcement immediately, yet current state law does not address the situation where a parent, legal guardian, or other person legally charged with the care or custody of a child fails to report the death or disappearance of a child or actively conceals a child's death or disappearance.

Your Committee has amended this measure by:

- (1) Inserting a savings clause; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 938, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 938, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 367 Human Services and Housing on S.B. No. 1362

The purpose and intent of this measure is to restrict the ability of the Hawaii Housing Finance and Development Corporation (HHFDC) to use the rental assistance revolving fund for projects relating to affordable rental housing.

Your Committee received testimony in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the health and general welfare of the people of this State necessitates the availability of safe and sanitary rental housing accommodations at affordable rental rates. It is essential that owners of rental housing accommodations be provided with appropriate additional means to assist in reducing the cost of rental housing accommodations.

Your Committee has amended this measure by:

- (1) Inserting amendments to section 201H-121, Hawaii Revised Statutes, to repeal as a purpose of chapter 201H, part III, subpart C, Hawaii Revised Statutes, the use of the rental assistance revolving fund for interim construction financing for affordable rental housing;
- (2) Repealing the requirement that HHFDC use up to \$25,000,000 and any bond proceeds to provide interim construction financing to certain qualified sponsors and to HHFDC for affordable rental housing development; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1362, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1362, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 368 (Joint) Health and Judiciary and Labor and Public Safety, Intergovernmental and Military Affairs on S.B. No. 675

The purpose and intent of this measure is to:

- (1) Provide firefighters with comprehensive medical coverage through workers' compensation benefits by establishing a rebuttable presumption that a firefighter who suffers from cancer, blood-borne infectious disease, or exposure to biochemical substances contracted the condition in the course of employment; and
- (2) Require the Hawaii State Fire Council to develop standards and procedures to ensure health and safety of firefighters who may be exposed to hazardous materials in the course of their duties.

Your Committees received testimony in support of this measure from the Hawaii State Fire Council, Hawai'i Fire Department of the County of Hawai'i, Maui Fire Department, State of Hawaii Organization of Police Officers, Hawaii Fire Fighters Association, and three individuals. Your Committees received testimony in opposition to this measure from the Hawaii Insurers Council. Your Committees received comments on this measure from the Department of Human Resources Development, Department of Labor and Industrial Relations, and Department of Human Resources of the City and County of Honolulu.

Your Committees find that the risk of being diagnosed with cancer is significantly higher among firefighters than the general population. In a three-year study completed in 2005 by the University of Cincinnati, researchers concluded that firefighters face a higher risk of cancer than the general population. Firefighters also face a greater risk of contracting infectious diseases and illnesses associated with exposure to patient care and biochemical substances due to bioterrorism.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health, Judiciary and Labor, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 675, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 675, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 369 (Joint) Health and Human Services and Housing on S.B. No. 1113

The purpose and intent of this measure is to expand the authority of the Department of Health to conduct background checks to include criminal history record checks, adult abuse perpetrator and child abuse record checks, and certified nurse aide registry record checks for persons seeking employment with the State or its contractors where the work involves direct client care, and applicants and operators of health care facilities.

Your Committees received testimony in support of this measure from the Department of Health, State Council on Developmental Disabilities, and one individual.

Your Committees find that individuals with developmental disabilities, as well as children and the elderly populations, are considered vulnerable to potential abuse, neglect, and mistreatment by family members, caregivers, and others who have direct access to them. This measure provides protection to the public when they seek health care services at licensed or certified health care facilities.

Your Committees have amended this measure by:

- (1) Clarifying the definitions of "applicant" in section 321-15.2, Hawaii Revised Statutes; and "provider" and "subcontractor" in section 321-171.5, Hawaii Revised Statutes;
- (2) Deleting language that would have required the Department of Health or its designee to make a name inquiry into the criminal history records or conduct criminal history checks on specified individuals other than clients;
- (3) Amending language to prohibit the Department of Health or its designee from securing background checks on persons who have been employed continuously on a salary basis since July 1, 2015;
- (4) Repealing section 333F-22, Hawaii Revised Statutes, related to criminal history records; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1113, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1113, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 370 (Joint) Health and Agriculture on S.B. No. 379

The purpose and intent of this measure is to expand and create new categories for homemade food processing for sale to the public.

Your Committees received testimony in support of this measure from the Hawaii Farmers Union United; Hawaii Farmers Union United, Kona Chapter; Koa'e Community Association; Steelgrass Farm; Kolo Kai Organic Farm; The Kohala Center; Sustainable Economics Law Center; Farmer's Marketeers; Local Food Coalition; Hawaii Farm Bureau; and twenty-three individuals. Your Committees received testimony in opposition to this measure from the Department of Health. Your Committees received comments on this measure from one individual.

Your Committees find that there are many talented, industrious food entrepreneurs in the State. Local value-added food businesses provide a market for local produce, offer locally made alternatives to national brands, create employment opportunities, and hold the potential to keep more dollars circulating within Hawaii's economy and increase tax revenue.

Your Committees have amended this measure by:

- (1) Deleting language related to the consideration of cottage food operations as a permitted use in residential areas for zoning purposes;
- (2) Deleting provisions related to Class C cottage food operations, including operation, posting, permit, and inspection requirements; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 379, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 379, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Slom).

SCRep. 371 (Joint) Health and Energy and Environment on S.B. No. 801

The purpose and intent of this measure is to establish notice and reporting requirements for any entity or person that uses restricted use pesticides under certain conditions.

Your Committees received testimony in support of this measure from the American Academy of Pediatrics, Planned Parenthood, IMUAlliance, and thirteen individuals. Your Committees received testimony in opposition to this measure from the Maui County Farm Bureau; Hawaii Crop Improvement Association; CropLife America; Dow Agrosiences; Alexander & Baldwin, Inc.; Western Plant Health Association; Hawaii Cattlemen's Council; DuPont Pioneer; Syngenta Hawaii; Chamber of Commerce Hawaii; and three individuals. Your Committees received comments on this measure from the Department of Health, Department of Agriculture, Hawaii Pest Control Association, Monsanto Hawaii, and one individual.

Your Committees find that it is of the utmost importance to protect communities that could be potentially impacted by pesticide drift. In Hawaii, there have been at least six episodes of pesticide-induced illness at schools since 2006. Exposure to pesticide drift causes numerous short-term impacts, such as headaches, dizziness, difficulty breathing, nausea, vomiting, weakness, chest pain, fatigue, rashes, and eye ailments.

Your Committees have amended this measure by:

- (1) Deleting its contents and replacing them with the contents of S.B. No. 797, Regular Session of 2015, which establishes notice, reporting, and use requirements for any entity or person that uses pesticides under certain circumstances; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 801, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 801, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Baker, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 372 (Joint) Health and Education on S.B. No. 115

The purpose and intent of this measure is to require a child to undergo a physical examination prior to attending seventh grade, beginning with the 2016-2017 school year.

Your Committees received testimony in support of this measure from the Department of Health, Department of Education, University of Hawaii John A. Burns School of Medicine, Hawaii Community Pharmacy Association, Waianae Coast Comprehensive Health Center, Hawaii Public Health Institute, and Hawaii Primary Care Association. Your Committees received comments on this measure from the Hawaii Island School Garden Network and Hawaii Academy of Physician Assistants.

Your Committees find that in Hawaii, more than one in two adults and over one in four high school students are overweight or obese. Without effective intervention, these numbers are projected to increase over the next two decades. This measure stimulates family and community engagement, while bringing together physicians and health care providers with parents and adolescents to address physical and mental health issues.

As affirmed by the records of votes of the members of your Committees on Health and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 115 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

Education

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Thielen, Slom).

SCRep. 373 (Joint/Majority) Health and Commerce and Consumer Protection on S.B. No. 1030

The purpose and intent of this measure is to:

- (1) Increase the minimum age for persons who may purchase tobacco products or electronic smoking devices from eighteen to twenty-one years of age;
- (2) Amend the definition of “electronic smoking device” as used in section 709-908, Hawaii Revised Statutes; and
- (3) Define “tobacco products” as used in section 709-908, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Department of Health, Honolulu Police Department, American Cancer Society Cancer Action Network, Coalition for a Tobacco Free Hawaii, Hawaii Public Health Association, University of Hawaii Student Health Advisory Council, and forty-nine individuals. Your Committees received testimony in opposition to this measure from Volcano Fine Electronic Cigarettes, PC Gamerz, and twelve individuals.

Your Committees find that the use of e-cigarettes is prevalent among adolescents in Hawaii. According to recent figures from six Hawaii high schools, among the ninth and tenth grade students, twenty-nine percent have used e-cigarettes at least once and eighteen percent use them regularly. This sample’s rate of e-cigarette use is considerably higher than rates in current studies of adolescents in other areas of the United States.

Your Committees have amended this measure by:

- (1) Inserting findings that discuss the high rate of e-cigarette use in Hawaii and other concerns;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1030, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1030, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4; Ayes with Reservations (Riviere). Noes, 1 (Slom). Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kidani).

SCRep. 374 (Joint) Health and Commerce and Consumer Protection on S.B. No. 924

The purpose and intent of this measure is to require certain insurance contracts and plans to provide coverage beginning January 1, 2016, for treatment of brain injuries, including cognitive and neurocognitive therapy, neurobehavioral and neuropsychological testing or treatment, and necessary post-acute transition services or community reintegration activities for a period of at least twenty years from the date the injury occurred and up to a lifetime cap per person of \$300,000.

Your Committees received testimony in support of this measure from Family Voices of Hawai‘i and one individual. Your Committees received testimony in opposition to this measure from Kaiser Permanente Hawaii. Your Committees received comments on this measure from the Department of Human Services, Department of Commerce and Consumer Affairs, Hawaii Disability Rights Center, and Hawaii Medical Service Association.

Your Committees find that traumatic brain injury is a leading cause of death and disability among children and young adults. While survivors of traumatic brain injury can lead full lives due to lifesaving medical techniques and rehabilitation services, they face a long rehabilitation process that may not be covered by certain health benefit plans.

Your Committees have amended this measure by:

- (1) Inserting a definition for “cognitive rehabilitation therapy”; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 924, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 924, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Riviere, Wakai, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Wakai, Slom).

SCRep. 375 (Joint) Health and Commerce and Consumer Protection on S.B. No. 911

The purpose and intent of this measure is to prohibit the use of latex gloves in dental health facilities and health care facilities, by personnel providing ambulance services or emergency medical services pursuant to the state comprehensive emergency medical services system, and in food establishments.

Your Committees received testimony in support of this measure from the Hawaii Dental Hygienists’ Association, American Latex Allergy Association, and fifteen individuals. Your Committees received testimony in opposition to this measure from the Department of Health.

Your Committees find that latex allergy is a serious concern because it causes reactions ranging from mild rashes to difficulty breathing and deadly anaphylaxis. Approximately 3,000,000 people in the general population of the United States have this allergy. Individuals with this allergy must be vigilant about latex exposure. This measure will help protect Hawaii residents and visitors who suffer from latex allergies.

Your Committees have amended this measure by:

- (1) Inserting findings related to latex allergy in the general population of the United States;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 911, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 911, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 376 (Joint) Health and Commerce and Consumer Protection on S.B. No. 729

The purpose and intent of this measure is to clarify the role of advanced practice registered nurses relating to emergency hospital admission and involuntary hospitalization.

Your Committees received testimony in support of this measure from the Board of Nursing, The Queen’s Health Systems, and one individual.

Your Committees find that in Hawaii, advanced practice registered nurses are recognized as primary care providers and should be permitted to practice to the full extent of their education and training. In recognition of this, Act 232, Session Laws of Hawaii 2013, added advanced practice registered nurses to the list of mental health professionals qualified to diagnose mental illness under section 334-59, Hawaii Revised Statutes, relating to emergency hospitalization. However, additional amendments relating to advanced practice registered nurses under section 334-59, Hawaii Revised Statutes, are necessary for consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 729 and recommend that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection
Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 377 (Joint) Health and Commerce and Consumer Protection on S.B. No. 391

The purpose and intent of this measure is to amend the continuing education requirement for psychologists to include at least three credit hours of ethics training and at least two credit hours of domestic violence training.

Your Committees received testimony in support of this measure from the Hawaii State Coalition Against Domestic Violence and two individuals. Your Committees received testimony in opposition to this measure from the Hawaii Psychological Association and one individual. Your Committees received comments on this measure from the Board of Psychology.

Your Committees find that there is a core of basic theory, principles, and accumulated behavior that all psychologists should possess, and that psychologists have an ethical obligation to undertake ongoing efforts to develop and maintain their competence. The American Psychological Association, recognized by Hawaii for providing licensure guidelines, has adopted policies to ensure that psychologists keep pace with emerging issues and increase competencies. Continuing education ensures that there are ongoing processes to improve training, enhance treatment, and maintain awareness of emerging issues and technologies, and your Committees find that continuing education in ethics and domestic violence, in particular, should be mandatory given the issues that arise in the practice of psychology.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 391 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection
Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 378 (Joint) Health and Commerce and Consumer Protection on S.B. No. 307

The purpose and intent of this measure is to:

- (1) Establish a licensure requirement for suppliers of durable medical equipment, prosthetics, orthotics, and related equipment (DMEPOS) participating in the nationwide competitive bidding program through an annual inspection by the Office of Health Care Assurance; and
- (2) Appropriate funds from the Office of Health Care Assurance special fund to administer the durable medical equipment licensing program.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation, Healthcare Association of Hawaii, and Hawaii Primary Care Association. Your Committees received testimony in opposition to this measure from the Executive Office on Aging. Your Committees received comments on this measure from the Department of Health, Department of the Attorney General, Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committees find that Medicare beneficiaries in Hawaii are experiencing a reduction in access to quality care as a result of the change in the way Medicare purchases its DMEPOS. Because only thirteen of the ninety-seven vendors selected are located within the State, the minimum shipping time is two to four days, and the typical wait time for physician-ordered wheelchairs and hospital beds is four to eight weeks.

Your Committees further find that without access to timely, local services, Medicare beneficiaries in Hawaii have been forced to forego necessary durable medical equipment devices. This restricted access to care has led to reductions in health, increases in preventable admissions and readmissions, and increases in costs to beneficiaries and the Medicare system.

Your Committees have amended this measure by:

- (1) Amending the definition of "supplier" and other references to apply licensure requirement to any supplier of DMEPOS, not just those participating in the national bidding program;
- (2) Changing the licensing agency from the Executive Office on Aging to the Office of Health Care Assurance;
- (3) Clarifying that a licensed supplier of DMEPOS must provide proof of business registration law compliance, including required tax identification numbers;
- (4) Adopting the Department of Health's recommendation to authorize, rather than require, the Office of Health Care Assurance to establish rules for the purposes of implementing the licensure program;
- (5) Clarifying that a supplier must provide proof of business registration law compliance and tax identification numbers to the Office of Health Care Assurance in order to be licensed and for annual inspections;
- (6) Expanding the purpose of the appropriations to fill two permanent full-time equivalent positions to establish the durable medical equipment licensing program as well as help support other current licensure programs;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 307, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 307, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 379 (Joint) Health and Commerce and Consumer Protection on S.B. No. 301

The purpose and intent of this measure is to require entities that offer or renew health plans on or after January 1, 2017, to make available a complete and updated formulary to enrollees, potential enrollees, and providers.

Your Committees received testimony in support of this measure from the Hawaii Medical Association, American Cancer Society Cancer Action Network, National Kidney Foundation of Hawaii, Neuropathy Action Foundation, Hawaii Community Pharmacists Association, Arthritis Foundation, GBS/CIDP Foundation International, Epilepsy Foundation of Hawaii, Leukemia and Lymphoma Society, and Pharmaceutical Research and Manufacturers of America. Your Committees received testimony in opposition to this measure from the Hawaii Medical Service Association. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that drug formularies are increasingly complex but are vitally important for patients with chronic conditions to understand. Persons living with chronic conditions currently have difficulty obtaining information needed to confirm which drugs are covered, unavailable, or difficult to access. This measure provides transparency and helps patients obtain insurance that fits their needs.

Your Committees have amended this measure by:

- (1) Specifying that the formulary requirements apply to accident and health or sickness insurance plans for comprehensive medical plans issued or renewed on or after January 1, 2017;
- (2) Increasing the time in which insurers must update the formulary on the insurer's website after making a change from twenty-four hours to seventy-two hours;
- (3) Amending language to require a standard formulary template be used for formularies for each product offered by the insurer's plan;
- (4) Specifying the information that must be included in the standard formulary template for insurers;
- (5) Inserting language to allow the Insurance Commissioner to develop a standard formulary template for insurers; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 301, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 301, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 380 (Joint) Health and Judiciary and Labor on S.B. No. 812

The purpose and intent of this measure is to authorize the Department of Health to establish a behavior support review process to conduct multidisciplinary reviews of the use of restraints or seclusion of persons with developmental or intellectual disabilities and exempt those who participate in the reviews from liability.

Your Committees received testimony in support of this measure from the Department of Health and State Council on Developmental Disabilities.

Your Committees find that it is important to ensure that behavior interventions are implemented appropriately to assist and support individuals receiving services and those providing support to them. Restraints or seclusion should be used only when there is imminent danger to self or others, and use of such interventions needs oversight and review.

Your Committees have amended this measure by:

- (1) Specifying that a behavior support review committee should be convened before and after cases in which use of restraint or seclusion are administered or recommended; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 812, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 812, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Ihara, Thielen, Slom).

SCRep. 381 (Joint) Health and Judiciary and Labor on S.B. No. 302

The purpose and intent of this measure is to:

- (1) Create immunity for individuals who prescribe, possess, or administer an opioid antagonist such as naloxone hydrochloride during an opioid-related drug overdose;
- (2) Authorize emergency personnel to administer opioid antagonist;
- (3) Require Medicaid coverage for naloxone hydrochloride;
- (4) Exempt pharmacists and pharmacies from licensure and permitting requirements, except for drug storage requirements, for storing and distributing opioid antagonists; and
- (5) Make an appropriation for drug overdose recognition, prevention, and response, including the distribution and administration of naloxone hydrochloride.

Your Committees received testimony in support of this measure from the Hawaii Substance Abuse Coalition, Hawaii Community Pharmacists Association, Walgreen Co., Drug Policy Forum of Hawaii, Hawaii Medical Association, The CHOW Project, Drug Policy Action Group, and ten individuals. Your Committees received comments on this measure from the Department of Human Services, Department of Health, and Hawaii Association for Justice.

Your Committees find that Good Samaritan policies, also known as medical amnesty, are life-saving measures that are in the best interest of the public's health, safety, and welfare. These policies facilitate responsible decision-making by shielding individuals from punishment when they seek medical attention during an emergency involving alcohol and controlled substances.

Your Committees further find that if criminal punishment is intended to deter drug abuse, it clearly is too late to deter abuse when a person is already suffering from an overdose. Good Samaritan policies should not be perceived as a "get out of jail free card" or a reward for illegal drug use. Rather, they enable individuals to make potentially life-saving decisions promptly and without hesitation.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 302, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 302, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 382 (Joint) Health and Judiciary and Labor on S.B. No. 809

The purpose and intent of this measure is to:

- (1) Allow physicians to submit workers' compensation treatment plans to employers by facsimile, the Internet, and other electronic media; and
- (2) Require employers to accept electronically submitted treatment plans and provide an electronic receipt of the submission.

Your Committees received testimony in support of this measure from the Work Injury Medical Association of Hawaii and four individuals. Your Committees received testimony in opposition to this measure from the City and County of Honolulu and Hawaii Insurers Council. Your Committees received comments on this measure from the Department of Labor and Industrial Relations and one individual.

Your Committees find that Hawaii's current system for physicians to submit treatment plans in workers' compensation claims is in need of modernization given the advancement of technology. Allowing treatment plans to be faxed and electronically mailed will greatly improve the efficiency of Hawaii's workers' compensation system.

Your Committees note that it is imperative for state departments and counties to acquire the technology for automated responses as it relates to this measure.

Your Committees have amended this measure by clarifying that a physician may send a treatment plan to the employer by means of facsimile, the Internet, or secure electronic mail.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 809, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 809, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 383 (Joint) Health and Judiciary and Labor on S.B. No. 1175

The purpose and intent of this measure is to:

- (1) Require the Department of Health and Hawaii State Hospital to implement certain recommendations made by the Senate Special Investigative Committee on the Hawaii State Hospital and submit a written report to the Legislature of its status of implementing certain recommendations prior to the Regular Sessions of 2016 and 2017; and
- (2) Appropriate funds to the Department of Health for the planning and design of a new state forensic mental health hospital.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association. Your Committees received comments on this measure from the Department of Health and Hawaii Disability Rights Center.

Your Committees find that the Senate Special Investigative Committee on the Hawaii State Hospital was established pursuant to S.R. No. 3, Regular Session of 2014. The purpose of the Special Investigative Committee was to investigate the workplace safety of all Hawaii State Hospital psychiatric workers and alleged improprieties concerning administrative and employment matters at the Hawaii State Hospital, and submit written findings and recommendations to the Legislature. The Special Investigative Committee found that the main challenges facing the Hawaii State Hospital are maintaining a safe work environment, meeting the needs of patients and staff, and providing efficient and effective human resources practices.

Your Committees note that it is a priority to improve patient mental health services that focus on acute cases.

Your Committees have amended this measure by:

- (1) Clarifying that the Department of Health and Hawaii State Hospital shall consider the recommendations made by the Special Investigative Committee, rather than mandating implementation of the recommendations; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1175, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1175, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Ihara, Thielen, Slom).

SCRep. 384 (Joint) Health and Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 275

The purpose and intent of this measure is to establish and appropriate funds for the statewide sexual assault response system, sexual assault response teams in each county, and sexual assault victim examination protocols, including time frames pertaining to the collection, submittal, and analysis of forensic medical evidence.

Your Committees received testimony in support of this measure from the Honolulu Police Department, American Association of University Women, Rainbow Family 808, and two individuals. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney, County of Maui. Your Committees received comments on this measure from the Office of the Prosecuting Attorney, County of Hawaii.

Your Committees find that health care personnel use a sexual assault evidence collection kit, commonly referred to as a rape kit, to collect and preserve physical evidence, including DNA, after an alleged sexual assault to help identify an assailant or eliminate a suspect. Unlike Hawaii, twenty-seven states already have laws regarding sexual assault victims, forensic medical examinations, and the collection of forensic evidence using a rape kit. Implementation of these laws vary from requiring training of medical staff conducting forensic medical examinations of sexual assault victims to establishing rape kit evidence collection and analysis timelines.

Your Committees note that investigating sexual assault cases should be a top priority for all police departments throughout the State.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health, Public Safety, Intergovernmental and Military Affairs, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 275, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 275, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 385 Energy and Environment on S.B. No. 1316

The purpose and intent of this measure is to require the board of directors of an association of apartment owners, condominium association, cooperative housing corporation, or planned community association, upon receipt of a request for the installation of an electric vehicle charging system, to make a decision to approve or deny the request within sixty days.

Your Committee received testimony in support of this measure from Ulupono Initiative and EV Structure. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Associa.

Your Committee finds that electric vehicles reduce fossil fuel consumption and are gradually becoming more popular in the State. As the demand for electric vehicles grows, so does the demand for electric vehicle charging systems. Timely decisions regarding the installation of electric vehicle charging systems will become increasingly important to homeowners. Implementation of this measure will facilitate the right to choose more efficient transportation solutions and further the State's clean energy goals.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1316, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1316, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 386 (Joint) Agriculture and Energy and Environment and Transportation on S.B. No. 1062

The purpose and intent of this measure is to establish the biosecurity program as the responsibility of the Department of Agriculture, rather than a branch of the Department of Agriculture, to enable the program to address biosecurity issues across the entire department.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Coordinating Group on Alien Pest Species, Nature Conservancy, Hawaii Farm Bureau, and one individual.

Your Committees find that biosecurity is an overarching issue that requires cooperation and collaboration by numerous parties in order to be addressed properly and to ensure the protection of our environment, community, and local agriculture. The Department of Agriculture has multiple duties and activities that address the issue of biosecurity; however, initiatives to improve Hawaii biosecurity go beyond the confines of any one branch within the department, often including other groups inside and outside of state government. Your Committees further find that the Hawaii Invasive Species Council, Department of Land and Natural Resources, United States Department of Agriculture, Coordinating Group on Alien Pest Species, and private companies that utilize best management practices when transporting products and equipment throughout the State, as well as many other groups, all positively contribute to Hawaii's biosecurity efforts.

Your Committees have amended this measure by:

- (1) Inserting a definition section into the new part in section 2; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture, Energy and Environment, and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1062, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1062, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Wakai).

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Transportation

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kidani).

SCRep. 387 (Joint) Agriculture and Health on S.B. No. 588

The purpose and intent of this measure is to permit the acquisition of raw milk and raw milk products by consumers if certain conditions are met.

Your Committees received testimony in support of this measure from Hawaii Farmers Union United Kona Chapter, Maui Cattlemen's Association, and thirty-one individuals. Your Committees received testimony in opposition to this measure from the Department of Health. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that the sale of raw milk from farmers to consumers can benefit local agriculture while providing consumers with more dairy options and allowing consumers to make their own health decisions.

Your Committees have amended this measure by:

- (1) Inserting language to allow the Department of Health to adopt rules to regulate the production and distribution of raw milk and raw milk products; provided that the rules are consistent with rules in states that authorize the production, distribution, and resale of raw milk and raw milk products; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 588, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 588, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5; Ayes with Reservations (Chun Oakland, Thielen). Noes, none. Excused, 2 (Taniguchi, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 388 (Joint) Agriculture and Water and Land on S.B. No. 593

The purpose and intent of this measure is to ensure that the Agribusiness Development Corporation makes the support of sustainable agriculture and food security its top priority and develops and implements a plan to accomplish this goal.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation, Progressive Democrats of Hawaii, Pesticide Action Network North America, Hawaii Center for Food Safety, Hawaii Farmers Union United, Hawaii Primary Care Association, and ninety-nine individuals. Your Committees received comments on this measure from the Hawaii Alliance for Progressive Action, Hawaii Farm Bureau, and two individuals.

Your Committees find that the Agribusiness Development Corporation manages over 20,000 acres of public agricultural lands and has significant potential to shape the State's agricultural public policy toward the goal of food self-sufficiency.

Your Committees find that the challenge of providing affordable leases of agricultural land to medium and small food farmers has prompted the Legislature to act. As raised in testimony, requiring agricultural land leases to support local food production for not only the Agribusiness Development Corporation but also the Department of Agriculture will benefit the public interest. Your Committees further find that providing more transparency and accountability through reporting on leased and non-leased agricultural lands will encourage better leasing practices.

Your Committees also find that it is necessary to lease agricultural land in a variety of farm sizes, provide protocols to enable farming of specialty products, and generally support diversified agriculture to achieve this goal; therefore, your Committees find that the contents of S.B. No. 510 (Regular Session of 2015) are necessary to incorporate into this measure to carry out such tasks and accomplish the above goals.

Accordingly, your Committees have amended this measure by:

- (1) Inserting the provisions of S.B. No. 510 (Regular Session of 2015), which require the Department of Agriculture and Agribusiness Development Corporation to take greater steps to lease and dispose of lands in a way that promotes diversified agriculture;
- (2) Codifying provisions requiring the Agribusiness Development Corporation to make local food production part of its mission;
- (3) Requiring the Department of Agriculture to lease each year at least fifty percent of the land it manages to operations whose primary business is local food production, beginning January 1, 2016;
- (4) Requiring the Agribusiness Development Corporation to lease each year at least fifty percent of the land it manages to operations whose primary business is local food production, beginning January 1, 2016;
- (5) Inserting a definition of "local food production";
- (6) Amending the purpose section to reflect other amendments; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 593, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 593, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 389 (Joint) Health and Judiciary and Labor on S.B. No. 206

The purpose and intent of this measure is to increase the general fund appropriation funds for fiscal year 2014-2015 for the Hawaii Health Systems Corporation for collective bargaining cost items.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation, East Hawaii Region; Hawaii Health Systems Corporation Board of Directors; Hawaii Health Systems Corporation, Kauai Regional Board; and sixty-six individuals.

Your Committees find that hospitals across the country are having to deal with declining payments from Medicare and Medicaid. For hospitals in Hawaii, this situation is exacerbated by having increases in payroll due to recent collective bargaining. This measure assists in funding mandated employment costs so that Hawaii communities continue to receive exceptional, quality health care.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 206 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 390 (Joint) Health and Judiciary and Labor on S.B. No. 309

The purpose and intent of this measure is to establish nine permanent full-time equivalent forensic psychologist positions and one permanent full-time equivalent manager position within the courts and corrections branch of the Department of Health for timely and proper administration of court ordered examinations.

Your Committees received testimony in support of this measure from the Department of Health, Judiciary, Department of Public Safety, Hawaii Government Employees Association, Hawaii Psychological Association, and two individuals.

Your Committees find that specialty training and expertise are required for the proper administration of a court ordered mental health examination. Where court ordered examinations involve forensic analysis, post-doctoral or commensurate experience and appropriate training become crucial factors in the quality of mental health reports and administration of justice.

Your Committees note that currently 1.5 full-time equivalent forensic psychologist positions are not filled and that it is critical to provide resources in this area.

Your Committees have amended this measure by:

- (1) Blanking out the number of positions within the courts and corrections branch of the Department of Health to be established; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 309, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 309, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 391 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 982

The purpose and intent of this measure is to establish limited immunity for individuals who seek medical assistance for themselves or others experiencing a drug or alcohol overdose or other medical emergency.

Your Committees received testimony in support of this measure from the Hawaii Substance Abuse Coalition, Drug Policy Forum of Hawaii, Medical Amnesty Initiative, and five individuals.

Your Committees find that Good Samaritan policies, also known as medical amnesty, are life-saving measures that are in the best interest of the public's health, safety, and welfare. These policies facilitate responsible decision-making by shielding individuals from punishment when they seek medical attention during an emergency involving alcohol and controlled substances.

Your Committees further find that if criminal punishment is intended to deter drug abuse, it clearly is too late to deter abuse when a person is already suffering from an overdose. Good Samaritan policies should not be perceived as a "get out of jail free card" or a reward for illegal drug use. Rather, they enable individuals to make potentially life-saving decisions promptly and without hesitation.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 982 and recommend that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 392 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 807

The purpose and intent of this measure is to:

- (1) Establish the Narcotics Advisory Committee to recommend acceptable topics and curriculum for the continuing medical education program; and
- (2) Establish requirements for a mandatory continuing medical education program for prescribing practitioners that prescribe narcotic drugs.

Your Committees received testimony in support of this measure from the Department of Public Safety, Hawaii Substance Abuse Coalition, Hawaii Association of Professional Nurses, and Work Injury Medical Association of Hawaii. Your Committees received comments on this measure from the Department of Health.

Your Committees find that drug poisoning is a serious public health problem in Hawaii and the nation. Fatal drug poisoning among Hawaii residents has increased significantly over the last twenty years, making it the lead mechanism of fatal injuries. Education for practitioners is a critical component to reducing incidents of prescription drug abuse and misuse.

Your Committees have amended this measure by:

- (1) Increasing the membership of the Narcotics Advisory Committee to include two advanced practice registered nurses; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 807, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 807, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 393 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 798

The purpose and intent of this measure is to:

- (1) Require a pain medication agreement to be executed between a patient and any prescriber of a narcotic drug within the State for use as pain medication under certain conditions; and
- (2) Require the Administrator of the Narcotics Enforcement Division to develop and make available a template of a pain medication agreement for use in the State.

Your Committees received testimony in support of this measure from Walgreen Co., Hawaii Community Pharmacists Association, and Work Injury Medical Association of Hawaii. Your Committees received testimony in opposition to this measure from the Hawaii Medical Association. Your Committees received comments on this measure from the Hawaii College of Emergency Physicians.

Your Committees find that pain management agreements create an understanding between patient and provider regarding the management of pain and the medications used. Pharmacists are enabled to work better with physicians and other providers to provide pain medications through clearer guidelines and expectations.

Your Committees note that the issue of urine drug testing as a mandate for the pain management agreement raises concerns that merit further consideration and requests that your Committee on Commerce and Consumer Protection further examine this issue if it chooses to hear this measure.

Your Committees have amended this measure by:

- (1) Inserting language to exempt emergency room and urgent care providers from executing a pain medication agreement when prescribing a narcotic drug in the patient's first encounter;
- (2) Deleting language related to urine drug testing consent and urine drug testing coverage from the pain management agreement template; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 798, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 798, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 394 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 303

The purpose and intent of this measure is to establish the Hawaii Drug Take-Back and Education Initiative to coordinate and increase the safe return and disposal of drugs and the Narcotics Enforcement and Prescription Drug Monitoring Advisory Committee to advise the Department of Public Safety Narcotics Enforcement Division.

Your Committees received testimony in support of this measure from the Department of Public Safety, Hawaii Substance Abuse Coalition, Hawaii Community Pharmacists Association, Walgreen Co., Work Injury Medical Association of Hawaii, and one individual. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the Narcotics Enforcement Division within the Department of Public Safety has run a pharmaceutical controlled substance practitioner take-back program for over three decades and in 2010, started an unfunded program of scheduled events, allowing the public to turn in their unwanted prescription drugs for disposal. This measure will allow greater management of medications utilized for pain control.

Your Committees note that the issue of urine drug testing as a mandate for a drug take-back program raises concerns that merit further consideration and requests that your Committee on Ways and Means further examine this issue if it chooses to hear this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 303, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 303, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 395 (Joint) Health and Agriculture on S.B. No. 692

The purpose and intent of this measure is to:

- (1) Remove the warning notice for first violations of the Hawaii pesticides law; and
- (2) Make it a class C felony for any person who causes physical harm to another person through the negligent application of a pesticide.

Your Committees received testimony in support of this measure from the American Academy of Pediatrics, Hawaii Chapter; IMUAlliance; and six individuals. Your Committees received testimony in opposition to this measure from the Hawaii Pest Control Association, Dow Agrosciences, Maui County Farm Bureau, Hawaii Cattlemen's Council, Syngenta Hawaii, Western Plant Health Association, and two individuals. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that it is of the utmost importance to protect communities who could be potentially impacted by pesticides. In Hawaii, there have been at least six episodes of pesticide-induced illness at schools since 2006. Exposure to pesticides cause numerous short-term impacts, such as headaches, dizziness, difficulty breathing, nausea, vomiting, weakness, chest pain, fatigue, rashes, and eye ailments.

Your Committees have amended this measure by:

- (1) Retaining the requirement under existing law for the Department of Agriculture to issue a warning notice before prosecution proceedings related to the Hawaii pesticides law are initiated; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 692, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 692, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5; Ayes with Reservations (Wakai). Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Thielen, Wakai). Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 396 (Joint) Health and Agriculture on S.B. No. 592

The purpose and intent of this measure is to:

- (1) Require farmers market vendors that direct-market potentially hazardous value added products to obtain a permit from the Department of Health;
- (2) Exempt non-potentially hazardous value added products from Department of Health permitting or inspection; and
- (3) Establish labeling requirements for value added products sold at farmers markets.

Your Committees received testimony in support of this measure from Laakea Community, LLC; Farmer's Marketeers; Hawaii Farm Bureau; and eight individuals. Your Committees received testimony in opposition to this measure from the Department of Health and one individual.

Your Committees find that with the recent growth in farmers markets and the demand for local, fresh foods, there has been interest in allowing farmers to direct-market their produce without Department of Health regulation. Farmers markets allow consumers an opportunity to communicate with those who grow or create the foods they are purchasing and consuming.

Your Committees has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 592, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 592, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Slom).

SCRep. 397 (Joint) Health and Human Services and Housing on S.B. No. 1245

The purpose and intent of this measure is to appropriate funds to:

- (1) Continue administration of the Hawaii home visiting program, a hospital-based early identification program designed to enhance health and safety outcomes and prevent child abuse and neglect; and
- (2) Ensure continuation of home visiting services in certain priority high-risk neighborhoods and areas.

Your Committees received testimony in support of this measure from the Hawaii Family Support Institute, Good Beginnings Alliance, Institute for Native Pacific Education and Culture, Catholic Charities Hawai'i, Child & Family Service, PHOCUSED, and one individual. Your Committees received comments on this measure from the Department of Health.

Your Committees find that home visiting is a prevention strategy used by states and communities to improve the health and well-being of vulnerable families of newborns who are at risk for adverse health, safety, and developmental outcomes. Over recent decades, research on early brain development, including the impact of trauma on the developing brain, has pointed to the need for early intervention and prevention to avert trauma and promote positive early brain development and learning. In 2013, the Legislature established the Hawaii home visiting program. The program is responsible for statewide hospital-based screening and home visiting services to identify families with newborns that may have health or safety concerns. High risk families are referred to home visiting service providers who deliver evidence-based services to address the family's needs.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1245 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 398 (Joint) Health and Human Services and Housing on S.B. No. 961

The purpose and intent of this measure is to:

- (1) Remove the ten-day time limit for setting a hearing date on a petition for assisted community treatment;
- (2) Allow for notice of continuation hearings to the subject to be served via the public defender;

- (3) Require the court to appoint a guardian ad litem when the subject of a petition for assisted community treatment fails to appear at a hearing;
- (4) Remove provisions governing the appointment of a public defender; and
- (5) Remove provisions allowing the court to order a subject to be examined by a licensed psychiatrist.

Your Committees received testimony in support of this measure from the Department of Health; Hawaii Disability Legal Services, LLC; Mental Health America of Hawaii; Hawaii Association of Professional Nurses; The Institute for Human Services, Inc.; PHOCUSED; and National Association of Social Workers, Hawaii Chapter. Your Committees received comments on this measure from the Judiciary and Hawaii Disability Rights Center.

Your Committees find that Hawaii's mental health system is difficult to navigate, resulting in individuals with serious mental illness often getting arrested for petty crimes, utilizing emergency services at higher rates, or becoming homeless as a result of their mental illness. This measure strengthens Hawaii's assisted community treatment law to reduce hospitalization and incarceration rates of persons with mental illness.

Your Committees have amended this measure by:

- (1) Amending language to allow a court to proceed with a hearing at its discretion in the event a subject of a petition has been served and does not appear at the hearing, instead of appointing a guardian ad litem to represent the subject;
- (2) Inserting language that specifies representation provisions by a public defender or other court-appointed counsel for a subject of a petition;
- (3) Amending Act 221, Session Laws of Hawaii 2013, to require treating providers to provide the Department of Health information related to MH-1s and hospitalization of persons who are under an order to treat by September 30 of each year; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 961, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 961, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Sлом).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

SCRep. 399 (Joint) Health and Human Services and Housing on S.B. No. 1367

The purpose and intent of this measure is to continue funding for Project Kealahou within the Department of Health Child and Adolescent Mental Health Division.

Your Committees received testimony in support of this measure from the Judiciary, Office of Youth Services, Hawaii Youth Services, Community Alliance on Prisons, Hawaii Public Policy Advocates, and thirty individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that Project Kealahou was developed in response to broad recognition by leaders and workers in the State's public youth service system that adolescent girls face challenges that established treatment programs do not adequately address. This six-year, federally funded program, housed in the Department of Health Child and Adolescent Mental Health Division, promotes community-based, individualized, culturally and linguistically competent, family-driven, youth-guided, and evidence-based services.

Your Committees further find that federal funding of Project Kealahou will phase out in October 2015 and that state funding is needed to continue and expand this cost-effective array of services to at-risk female youth and their families who would otherwise not have access to these services.

Your Committees note that the annual cost for Project Kealahou is \$900,000 and request that your Committee on Ways and Means take this amount into consideration if it chooses to hear this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1367 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Sлом).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

SCRep. 400 Health on S.B. No. 757

The purpose and intent of this measure is to:

- (1) Prohibit the use of electronic smoking devices in places where smoking is prohibited; and
- (2) Update signage requirements.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii Cancer Center, American Cancer Society Cancer Action Network, Coalition for a Tobacco Free Hawaii, Hawaii Community Pharmacy Association, and one individual. Your Committee received testimony in opposition to this measure from VOLCANO Fine Electronic Cigarettes, PC Gamerz, Hawaii Smokers Alliance, and sixteen individuals. Your Committee received comments on this measure from Outrigger Hotels and one individual.

Your Committee finds that the unregulated use of electronic smoking devices is potentially hazardous to health and is disruptive to an orderly and productive work environment. Using a noncombustible electronic smoking device closely resembles and purposefully mimics the act of smoking by having a user inhale vaporized liquid nicotine created by heat through an electronic ignition system. Prohibiting the use of electronic smoking devices in enclosed or partially enclosed places where smoking is prohibited will reduce the likelihood that employees and the public will associate the use of electronic smoking devices in enclosed or partially enclosed areas with healthful behavior, reduce the likelihood of nonuser exposure to exhaled toxicants of potential harm, reduce the likelihood of workplace disturbances, enhance employee productivity, and help ensure compliance with existing smoking regulations.

Your Committee has amended this measure by inserting language that allows owners of establishments, facilities, or outdoor areas who exercised the right to prohibit smoking prior to September 15, 2015, and installed no smoking signs in those areas to retain previously installed signs and not have to install new signage that includes a symbol of an electronic smoking device.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 757, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 401 Health on S.B. No. 113

The purpose and intent of this measure is to appropriate funds for the implementation and administration of the Hawaii state loan repayment program.

Your Committee received testimony in support of this measure from the University of Hawaii John A. Burns School of Medicine, The Queen's Health Systems, Hawaii Primary Care Association, and fourteen individuals.

Your Committee finds that many residents of Hawaii are increasingly unable to obtain timely and appropriate health care due to shortages of primary care and behavioral health providers. Such shortages threaten the health of Hawaii's residents and affect state health care costs. These shortages have pushed the federal government to designate a number of areas in the State, particularly rural areas, as medically underserved areas, health professional shortage areas, or having medically underserved populations.

Your Committee further finds that the increasingly high cost of health care professional education requires individuals to seek out the higher incomes that allow them to repay their student loans. However, these higher incomes are usually in specialty care in urban areas, not in the areas of greatest need in Hawaii. Since September 1, 2012, a total of sixteen physicians and nurse practitioners have received loan repayment to work in health professional shortage areas in Hawaii and are still serving these communities through a loan repayment program started by the John A. Burns School of Medicine of the University of Hawaii.

Your Committee has amended this measure by amending the appropriation amount from \$450,000 to \$311,875.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 113, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 113, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Gabbard, Slom).

SCRep. 402 Health on S.B. No. 802

The purpose and intent of this measure is to allow cooperative housing corporations and condominium associations to adopt rules to prohibit smoking, including the use of electronic smoking devices, in certain areas of their respective facilities.

Your Committee received testimony in support of this measure from the Department of Health, Coalition for a Tobacco Free Hawaii, and Hawaii Community Pharmacy Association. Your Committee received testimony in opposition to this measure from VOLCANO Fine Electronic Cigarettes and twelve individuals.

Your Committee finds that 38 percent of housing in Hawaii is represented by multi-unit structures, compared to the national average of 26 percent. Of the people who live in multi-unit housing structures, many smoke in those structures, including on their own lanai or outside their own unit. However, in each of those cases, the smoke easily travels to other units within the structures. By prohibiting smoking, including the use of electronic smoking devices, in condominiums and other multi-unit housing structures, this measure will reduce the likelihood of nonuser exposure to exhaled toxicants and carcinogens.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 802, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 802, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 403 Health on S.B. No. 304

The purpose and intent of this measure is to establish the Hawaii Maternal Mortality Review Panel within the Department of Health to conduct a comprehensive review of maternal deaths that have occurred in the State.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, American Congress of Obstetricians and Gynecologists, and two individuals. Your Committee received comments on this measure from the Department of Health and Office of Information Practices.

Your Committee finds that Hawaii is one of only fourteen states in the nation that does not have a maternal mortality review committee. From 2001 to 2011, there were an average of nine maternal deaths per year. However, many experts suggest that these figures reflect under-reporting of maternal deaths. Establishing a maternal mortality review committee will go a long way toward improving women's services and saving lives.

Your Committee notes that the expected costs for the implementation and operation of the Hawaii Maternal Mortality Review Panel is \$10,000.

Your Committee has amended this measure by:

- (1) Renaming the "maternal mortality review panel" to "maternal morbidity and mortality review panel";
- (2) Inserting conforming amendments that incorporate maternal morbidity into references to "maternal mortality", "maternal mortality events", and "maternal mortality review information"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 304, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 304, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 404 Health on S.B. No. 311

The purpose and intent of this measure is to:

- (1) Establish a process to enable the Hawaii Health Systems Corporation, a regional system, or a combined regional system of two or more regional systems or a facility or service to transition to a new healthcare management system organized under the laws of the State as a nonprofit corporation or public benefit corporation registered to do business in the State; and
- (2) Establish a transition committee to assist the Governor in reviewing and monitoring the transitioning of the corporation, a regional system, or a combined regional system to a new healthcare management system.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Hawaii Health Systems Corporation, and one individual. Your Committee received testimony in opposition to this measure from sixty-three individuals. Your Committee received comments on this measure from the Department of the Attorney General; Hawaii Health Systems Corporation, Kauai Regional Board; and Hawaii Government Employees Association.

Your Committee finds that health care is a very specialized, complex, and rapidly changing business. Operators of health care facilities often face constant pressure to provide higher quality care and customer satisfaction at a lower cost. Hawaii Health Systems Corporation facilities can benefit greatly from partners who can accelerate access to investments, such as health information technology, physician networks, quality improvement, supply chain management, and expertise in revenue cycle maximization.

Your Committee notes that notwithstanding any other law to the contrary, including but not limited to section 27-1 and chapters 76, 78, 89, and 171, Hawaii Revised Statutes, the Maui Regional Health Care System is hereby authorized to enter into an agreement with a private entity to transition one or more of its facilities, including Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital, into a new private Hawaii nonprofit corporation, to be operated and managed by the private entity as the facility's or facilities' sole member and operator.

Your Committee has amended this measure by:

- (1) Deleting language that would have required approval of two-thirds of the members of each house of the Legislature prior to the Governor commencing the partnering process with a healthcare management system;
- (2) Deleting provisions related to a transition committee, including membership composition, powers, and responsibilities;
- (3) Establishing provisions related to an advisory committee, including membership composition, appointment, and responsibilities;
- (4) Inserting language that requires the Chief Executive Officer of the Hawaii Health Systems Corporation to invite healthcare management systems to submit a transition plan;
- (5) Deleting the requirement for a transition plan to include provisions to establish a personnel system comprised exclusively of public employees;
- (6) Clarifying that the agreement executed by the State and any healthcare management system selected to implement its transition plan shall include provisions that assure that the selected healthcare management system pursues general fund

support from the State that does not exceed its current level of support and permits the State, upon a recommendation of the advisory committee and approval of the Governor, to accept the written offer to purchase submitted by the healthcare management system; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 311, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 311, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Baker, Ruderman). Noes, none. Excused, 3 (Riviere, Wakai, Slom).

SCRep. 405 Health on S.B. No. 1033

The purpose and intent of this measure is to establish the Hawaii Maternal Mortality Review Panel within the Department of Health to conduct a comprehensive review of maternal deaths that have occurred in the State.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, American Congress of Obstetricians and Gynecologists, and two individuals. Your Committee received comments on this measure from the Department of Health and Office of Information Practices.

Your Committee finds that Hawaii is one of only fourteen states in the nation that does not have a maternal mortality review committee. From 2001 to 2011, there were an average of nine maternal deaths per year. However, many experts suggest that these figures reflect under-reporting of maternal deaths. Establishing a maternal mortality review committee will go a long way toward improving women's services and saving lives.

Your Committee further finds that there are no fiscal implications in this measure for the implementation and operation of the Hawaii Maternal Mortality Review Panel.

Your Committee has amended this measure by:

- (1) Renaming the "maternal mortality review panel" to "maternal morbidity and mortality review panel";
- (2) Inserting conforming amendments that incorporate maternal morbidity into references to "maternal mortality", "maternal mortality events", and "maternal mortality review information"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1033, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1033, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 406 Public Safety, Intergovernmental and Military Affairs on S.B. No. 419

The purpose and intent of this measure is to allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions.

Your Committee received testimony in support of this measure from the Neighborhood Commission Office of the City and County of Honolulu, Waikiki Neighborhood Board, and four individuals. Your Committee received testimony in opposition to this measure from the Society of Professional Journalists, League of Women Voters, and three individuals. Your Committee received comments on this measure from the Office of Information Practices and Civil Beat Law Center for Public Interest.

Your Committee finds that there have been widespread complaints regarding the inability of neighborhood board members to attend informational events due to the Sunshine Law. Under section 92-82, Hawaii Revised Statutes, if at least a number that constitutes a quorum of neighborhood board members attends any meetings or presentations open to the public, those members in attendance may be in violation of the Sunshine Law. Implementation of this measure will allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions, and increase communication between neighborhood board members and constituents.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 419, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 419, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 407 Public Safety, Intergovernmental and Military Affairs on S.B. No. 433

The purpose and intent of this measure is to require the Department of Public Safety intake service centers to coordinate the collection of data regarding incarcerated parents and children with incarcerated parents.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of Land and Natural Resources, Office of Hawaiian Affairs, Community Alliance on Prisons, Association of Hawaiian Civic Clubs, Kalihi Palama Hawaiian Civic Club, Hawaii Appleseed Center for Law and Economic Justice, Blueprint for Change, King Kamehameha HCC and nine individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that children whose parents are incarcerated may experience symptoms of trauma as a result of their parents' incarceration, such as poor academic performance, aggressive behavior, and developmental challenges. Moreover, these children may also be much more likely to enter the criminal justice system themselves.

Your Committee further finds that there is an absence of reliable and comprehensive data on children or incarcerated parents in Hawaii, limiting the state and service providers' ability to support these children and their families. Appropriate services and resources are essential to breaking the cycle of intergenerational incarceration and to help these children overcome the hardships associated with an incarcerated parent.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 433 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 408 Public Safety, Intergovernmental and Military Affairs on S.B. No. 441

The purpose and intent of this measure is to allow the county clerk to electronically transmit absentee ballots if mailed absentee ballots are not received by the voter within five days of an election.

Your Committee received testimony in support of this measure from the State Office of Elections and the Maui Office of the County Clerk. Your Committee received comments on this measure from the League of Women Voters.

Your Committee finds that under existing law, voters covered by the State's Uniform Military and Overseas Voters Act are permitted to receive blank delivery by facsimile, electronic mail, or internet delivery if offered by the voter's jurisdiction. However, for voters that are not covered by this law, there are no other available options if there is insufficient time to receive a new ballot by mail or if it is impracticable to pick up the ballot from the county clerk's office. Prior to the enactment of this existing law, all voters were authorized to be forwarded a ballot by facsimile transmission if they did not receive a ballot in the mail within five days of an election.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 441 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 409 (Joint/Majority) Public Safety, Intergovernmental and Military Affairs and Transportation and Water and Land on S.B. No. 568

The purpose and intent of this measure is to:

- (1) Establish a Law Enforcement Standards Board for the certification of county police officers, state public safety officers employed by the Department of Public Safety, and employees at the Departments of Transportation and Land and Natural Resources with police powers;
- (2) Prohibit appointment or hiring of these officers unless certified by the Law Enforcement Standards Board beginning on January 1, 2018; and
- (3) Establish the law enforcement standards board special fund.

Your Committees received testimony in support of this measure from the Remington College Honolulu Criminal Justice Student Coalition and fifteen individuals. Your Committees received testimony in opposition to this measure from the Honolulu Police Department and County of Hawaii Police Department. Your Committees received comments on this measure from the Department of Land and Natural Resources, Department of Transportation, Department of Budget and Finance, and Department of the Attorney General.

Your Committees find that it is the role of the State to oversee and regulate professions and occupations that have a significant impact on society. Law enforcement is an area where more should be done by the State to provide standards and uniformity statewide. The State and counties grant to police, sheriffs, and other law enforcement officers an immense amount of authority including the power to search, arrest, and use deadly force. The implementation of this measure ensures that law enforcement is held to the highest standards of professionalism and promotes uniformity of standards throughout the State.

Your Committees have amended this measure by:

- (1) Requiring certain members of the Law Enforcement Standards Board ("Board") to have experience rather than significant experience and not be currently employed as law enforcement officers or employed by a law enforcement agency;

- (2) Requiring the Board to consult with state and county agencies and other stakeholders to establish minimum standards for employment as a law enforcement officer;
- (3) Eliminating the Board's power to investigate any allegations of criminal activity and authorizing the board to investigate allegations of misconduct;
- (4) Authorizing, rather than requiring, the Board to establish law enforcement training programs;
- (5) Requiring the Board to establish minimum training requirements for law enforcement officers;
- (6) Requiring each government agency or department to be responsible for training its staff to meet standards and qualifications;
- (7) Requiring law enforcement officers under contract by the State to meet the minimum qualifications established by the Board;
- (8) Amending the date by which existing law enforcement officers must obtain a valid certificate;
- (9) Deleting all transfer of powers language in sections 5, 6, and 7; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs, Transportation, and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 568, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 568, S.D. 1, and be referred to the Committees on Ways and Means and Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, 1 (Slom). Excused, none.

Transportation
Ayes, 8; Ayes with Reservations (Dela Cruz, English, Inouye, Kidani, Kouchi, Nishihara). Noes, none. Excused, 1 (Slom).

Water and Land
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 410 (Joint) Public Safety, Intergovernmental and Military Affairs and Transportation on S.B. No. 579

The purpose and intent of this measure is to:

- (1) Prohibit the use of unmanned aircrafts, except by law enforcement agencies under certain circumstances, to conduct surveillance and establish certain conditions under which law enforcement agencies may use an unmanned aircraft to obtain information;
- (2) Exempt the use of model aircrafts for commercial, hobby, or recreational purposes from the prohibition;
- (3) Require all law enforcement agencies using unmanned aircrafts to report to the Legislature on their activities relating to unmanned aircrafts; and
- (4) Require all courts that issued a search warrant permitting the use of an unmanned aircraft to report certain information to the Judiciary in January of each year.

Your Committees received testimony in support of this measure from Laakea Community, LLC.; Koa'e Community Association; and ten individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and two individuals.

Your Committees find that unmanned aircraft technology is rapidly developing and has the potential to provide manufacturing, operation, and other high quality job opportunities. Unmanned aircraft systems offer efficient and cost saving methods to gather information, but this new and innovative technology may also provide opportunities for abuse. Implementation of this measure enables the State to benefit from unmanned aircraft systems technology while ensuring that the technology will not be used in a manner that will impede the right to privacy.

Your Committees have amended this measure by deleting its contents and inserting language to:

- (1) Authorize the use of unmanned aircraft systems by private, commercial, and law enforcement agencies to conduct surveillance with a warrant;
- (2) Prohibit tracking of individuals without their consent by any privately owned or operated unmanned aircraft system;
- (3) Prohibit data derived from an unmanned aircraft system to be used by a law enforcement agency to look for wrongdoing unless a warrant authorizes the use of the data;
- (4) Prohibit unmanned aircraft systems weapon use by private, commercial, or law enforcement agencies;
- (5) Establish remedies for violations;
- (6) Encourage law enforcement agencies to develop written policies for unmanned aircraft systems use; and
- (7) Make technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 579, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 579, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 5. Noes, none. Excused, none.

Transportation

Ayes, 6. Noes, none. Excused, 3 (English, Kouchi, Slom).

SCRep. 411 Public Safety, Intergovernmental and Military Affairs on S.B. No. 723

The purpose and intent of this measure is to promote transparency and accessibility in county government by permitting county council members to jointly attend and speak at certain community meetings or presentations; provided that the meetings or presentations are events open to the public.

Your Committee received testimony in opposition to this measure from the Office of Information Practices; League of Women Voters of Hawaii; Society of Professional Journalists, Hawaii Chapter; Civil Beat Law Center for the Public Interest; Common Cause Hawaii; and one individual.

Your Committee finds that county council members are expected to determine how community members feel about policy issues and enact legislation addressing issues when advisable, yet compliance with state law has required council members to leave community meetings or decline invitations to attend community meetings. Your Committee further finds that permitting council members to attend these public meetings will not jeopardize openness in government because council members do not have control over agendas, discussions, or outcomes of meetings conducted by non-council members.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 723, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 723, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 412 (Joint) Public Safety, Intergovernmental and Military Affairs and Health on S.B. No. 878

The purpose and intent of this measure is to:

- (1) Require the counties to authorize the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems; and
- (2) Define "composting toilet".

Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the existing flush and septic systems in certain areas of the State are ill-suited due to geographic challenges and scarce water supplies. These areas present formidable engineering challenges including proximity to the ocean, hard volcanic rock, and groundwater just two feet below the surface. Composting toilets are a viable alternative in areas that are inaccessible to municipal water systems. Implementation of this measure improves the health and welfare of the State.

Your Committees have amended this measure by:

- (1) Authorizing, rather than requiring, the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 878, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 878, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 413 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1131

The purpose and intent of this measure is to:

- (1) Update the Uniform Controlled Substances Act, chapter 329, Hawaii Revised Statutes, for consistency with amendments in federal law on controlled substances; and
- (2) Amend section 329-20, Hawaii Revised Statutes, to add new controlled substances that have been federally scheduled, as required under section 329-11, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Public Safety and Honolulu Police Department.

Your Committee finds that this measure amends Hawaii's Uniform Controlled Substances Act, codified as chapter 329, Hawaii Revised Statutes, to be consistent with changes in federal law and any emergency scheduling actions taken by the Narcotics Enforcement Division Administrator, as required by section 329-11, Hawaii Revised Statutes.

Your Committee further finds that there is a growing problem in the State of new synthetic hallucinogenic substances being offered for sale to the public as herbal incense, bath salts, plant food, or legal highs. Numerous adverse effects have been reported from these new synthetic cathinones and synthetic cannabinoids, including seizures, coma, agitation, convulsions, and in some cases, death.

Your Committee additionally finds that the Narcotics Enforcement Division Administrator has emergency scheduled some of these substances into Schedule I of the Uniform Controlled Substances Act to avoid an imminent hazard to public safety. However, this control is temporary. Your Committee notes that the continued uncontrolled manufacture, distribution, importation, exportation, and abuse of certain identified synthetic cathinones and cannabinoids pose an imminent hazard to the public's safety. Amendments to this measure are therefore necessary to permanently add these synthetic cathinones and cannabinoids to Schedule I of the Uniform Controlled Substances Act.

Accordingly, your Committee has amended this measure by:

- (1) Adding a new synthetic cathinone and eight new synthetic cannabinoids to section 329-14, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1131, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1131, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 414 (Majority) Public Safety, Intergovernmental and Military Affairs on S.B. No. 1158

The purpose and intent of this measure is to establish a special fund for the operation, maintenance, and management of the Pacific International Space Center for Exploration Systems' projects, facilities, services, and publications and for the design and construction of facilities and renovation of or addition to existing facilities.

Your Committee received testimony in support of this measure from the Hawaii County Council, Near Earth LLC, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; and one individual.

Your Committee finds that the Pacific International Space Center for Exploration Systems was established to attract and retain aerospace investment in the State and to bridge the gap between the public and private sector in aerospace-related activities. Your Committee further finds that currently the Pacific International Space Center for Exploration Systems only has the ability to receive and expend funds allocated within the state budget and does not have a mechanism to receive or expend funds from any other source. Additional sources of funding would allow the organization to initiate and engage in more activities, accelerate the rate of progress on existing initiatives, and better prepare for future project needs by adding appropriate facilities.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1158 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 415 (Joint) Public Safety, Intergovernmental and Military Affairs and Health on S.B. No. 1190

The purpose and intent of this measure is to:

- (1) Require the Director of Public Safety to contract for the planning and preliminary design for a secure correctional facility designed to provide intensive rehabilitation programs for mental health and chemical dependency treatment;
- (2) Require the Director of Public Safety to submit a progress report to the Legislature by February 1, 2016; and
- (3) Appropriate funds to the Department of Public Safety for the contract for the planning and preliminary design for the correctional facility.

Your Committees received testimony in support of this measure from the Department of Public Safety; United Public Workers AFSCME, Local 646, AFL-CIO; and two individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the State Procurement Office and Community Alliance on Prisons.

Your Committees find that the State has been exporting inmates to privately operated prisons on the mainland since 1995 instead of building a new prison in Hawaii. Fifty-four percent of Hawaii's prisoners are incarcerated in private prisons on the mainland, the highest percentage among all other states. State officials have continued to pursue various plans for adding prison space in Hawaii; however, the State has not built a new prison in nearly three decades. Implementation of this measure lowers costs, reduces recidivism, and provides a solution to overcrowding in the State's correctional facilities.

Your Committees have amended this measure by:

- (1) Inserting language to specify that the new correctional facility is to be a priority correctional facility, which may include a reentry facility, jail, or prison; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1190, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1190, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Health
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 416 (Majority) Public Safety, Intergovernmental and Military Affairs on S.B. No. 1310

The purpose and intent of this measure is to encourage the protection of water resources in the State by authorizing counties to charge user fees to create and maintain stormwater management systems or infrastructure.

Your Committee received testimony in support of this measure from the Surfrider Foundation, Oahu Chapter; Rise Above Plastics Coalition; League of Women Voters of Hawaii; Kokua Council; and six individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that rising development pressure, population growth, and climate change will likely create increased demand for water and compromise Hawaii's fresh water supplies in the coming decades. Your Committee further finds that it is important to encourage best practices and infrastructure investment by the counties to capture and retain rainfall for potable water before it becomes stormwater run-off. Beneficial reuse of stormwater preserves our limited natural water resources, reserves higher quality water for higher quality uses, and reduces the amount of polluted run-off that fouls inland waterways and near-shore waters.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1310, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1310, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 417 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1354

The purpose and intent of this measure is to authorize the governing body of each county to adopt the most recent internationally and nationally recognized codes and standards if the State Building Code Council has not adopted new model building codes and standards as required in section 107-24, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, and State Building Code Council.

Your Committee finds that the State Building Code Council was created in 2007 to review and adopt current, nationally recognized building codes and standards for Hawaii. The council is required to review and adopt, as appropriate, new model building codes within eighteen months of the official publication date of various codes and standards, including the International Building Code, which establishes minimum regulations for building systems and is promulgated every three years. However, Hawaii, unlike at least twenty other states, has not adopted the current regulations established and promulgated in the 2012 International Building Code publication. The failure to adopt current International Building Code regulations poses a serious safety issue for Hawaii's residents, due to the State's unique geographic location and vulnerability related to natural disasters. Implementation of this measure will safeguard the health and safety of Hawaii's residents and visitors.

Your Committee has amended this measure by authorizing the governing body of each county to review and adopt the more current, rather than most recent, codes and standards identified in section 107-25, Hawaii Revised Statutes, if the State Building Code Council fails to update and adopt new model building codes and standards as required.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1354, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as S.B. No. 1354, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 418 Transportation on S.B. No. 128

The purpose and intent of this measure is to prohibit a motor vehicle from being operated within one meter of a moving bicycle.

Your Committee received testimony in support of this measure from the Hawaii Bicycling League. Your Committee received testimony in opposition to this measure from the Hawaii Transportation Association and two individuals.

Prior to the hearing on this measure, your Committee posted for public review a proposed S.D. 1 which made an appropriation for a grant-in-aid to the City and County of Honolulu to operate a van pool program on Oahu; subject to certain reporting requirements.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Transportation; VRide; Enterprise Holdings, LLC; and one individual.

Your Committee finds that bicycling should be encouraged as an alternative form of transportation. Making sure that bicyclists are safe will encourage more people to choose bicycles over other forms of transportation.

Your Committee further finds that van pools receive federal funding and providing a grant-in-aid to the City and County of Honolulu to operate a van pool program will preserve federal funding and enhance this vital service to the commuters of Oahu.

Your Committee has amended this measure by:

- (1) Inserting the contents of the proposed S.D. 1; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 128, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 128, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Slom).

SCRep. 419 Transportation on S.B. No. 1044

The purpose and intent of this measure is to:

- (1) Require the Director of Transportation to submit to the Legislature an annual report detailing compliance with the complete streets policy and principles during the prior fiscal year, including certain specified information;
- (2) Require the Department of Transportation to establish and publish performance standards with measurable benchmarks reflecting the capacity for all users to travel with appropriate safety and convenience along roadways under the jurisdiction of the State;
- (3) Require that complete streets policies of the State apply to new construction, reconstruction, repaving, operations, and maintenance activities, and accordingly require the Department of Transportation to create a checklist of certain specified information; and
- (4) Require the Director of Transportation to provide training for the Department of Transportation's design, operations, and maintenance staff in complete streets policies, principles, and implementation procedures that may be applicable to the performance of their duties.

Your Committee received testimony in support of this measure from the Department of Transportation; Kauai Path, Inc.; Blue Planet Foundation; Maui Electric Bikes; Maui Bicycling League; Cycle Manoa; AARP Hawaii; Peoples Advocacy for Trails for Hawaii; Hawaii Bicycling League; and thirty-nine individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs and three individuals.

Act 54, Session Laws of Hawaii 2009, enacted the complete streets law, codified as section 264-20.5, Hawaii Revised Statutes, to require the State Department of Transportation and the county transportation departments to adopt a complete streets policy that seeks to reasonably accommodate convenient access and mobility for all users of the public highways within their respective jurisdictions, including pedestrians, bicyclists, transit users, motorists, and persons of all ages and abilities.

Your Committee finds that clarification of the complete streets policy is necessary to assure its proper implementation and ensure its effectiveness as intended.

Your Committee has amended this measure by:

- (1) Requiring the Department of Transportation's initial report to the Legislature to be submitted by December 31, 2016;
- (2) Clarifying that the measurable performance standards and benchmarks to be included in the Department of Transportation's report are as established in conjunction with the MAP-21 process applicable to each project;
- (3) Requiring the Department of Transportation to post on its website the preliminary complete streets checklist and accompanying documentation within sixty days of completion of the checklist rather than within thirty days;
- (4) Deleting the requirement that the Department of Transportation's complete streets checklist receive public comment;

- (5) Requiring counties to consider the complete streets law when adopting or amending county land use ordinances; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1044, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1044, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Slom).

SCRep. 420 (Joint) Transportation and Commerce and Consumer Protection on S.B. No. 2

The purpose and intent of this measure is to:

- (1) Limit the liability of port pilots to a specified monetary limit of damages or loss occasioned by a pilot's errors, omissions, fault, or negligence in the performance of pilotage or in the training of pilots, except for acts or omissions of the pilot in the performance of pilotage or in the training of pilots that constitute wilful, intentional, or reckless misconduct;
- (2) Impose continuing education requirements on licensed port pilots;
- (3) Require investigations to determine whether persons applying for renewal of full port pilot or deputy port pilot licenses are qualified;
- (4) Require that every vessel, not just those involved in trade or commerce, entering or departing from any port in the State or traversing the waters of the State designated as pilotage waters to employ a licensed pilot unless otherwise exempt; and
- (5) Exempt vessels under three hundred gross tons from pilotage regulation.

Your Committees received testimony in support of this measure from the Hawaii Pilots Association; Hawaii Ports Maritime Council; and three individuals. Your Committees received testimony in opposition to this measure from the Hawaii Association for Justice. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that port pilots have the responsibility of ensuring the safe movement of all types of vessels in Hawaii's commercial harbors, including cruise ships, oil tankers, and container ships. Port pilots go aboard ships before they enter or depart from a harbor. For arriving vessels, the pilot usually goes aboard the ship from a pilot boat at a distance of about two to three miles from shore. Once on board a ship, the pilot directs the movement of the vessel as it moves throughout the harbor. The pilot accomplishes this by giving specific engine and steering commands to the ship's crew, as well as directing the movements of the assisting tug boats.

Your Committees further find that each time a state-licensed compulsory pilot boards a ship, that pilot knows that a moment's inattention, complacency, wrong decision, or simple mistake could lead to a potentially catastrophic vessel casualty with hundreds of millions of dollars in damages or loss of life, the end of the pilot's career, and financial ruin for the pilot and the pilot's family. Coupled with the physical dangers involved in piloting no other occupation or profession presents such risks to its practitioners in the normal course of work. Unbridled exposure to this enormous liability risk could serve as a hindrance to efforts to attract and maintain sufficient numbers of qualified pilots and could therefore threaten the State's ability to maintain effective compulsory pilotage systems.

Your Committees have amended this measure by:

- (1) Deleting the continuing education requirements and the requirement for investigations to determine whether persons applying for renewal of a full port pilot license or deputy port pilot license are qualified;
- (2) Inserting language requiring the Department of Commerce and Consumer Affairs, in consultation with the Hawaii Pilots Association, to report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016 on its findings and recommendations, including any proposed legislation, relating to:
 - (A) Continuing education requirements for port pilots;
 - (B) Investigations of port pilots who are renewing their licenses to determine their qualifications; and
 - (C) Any other matters relevant to the professional competencies and education of port pilots when applying for a license or renewing a license; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 8. Noes, none. Excused, 1 (Kidani).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kahele, Kidani, Taniguchi).

SCRep. 421 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1180

The purpose and intent of this measure is to repeal chapter 279E, Hawaii Revised Statutes, and create a new chapter in the Hawaii Revised Statutes with revised requirements for metropolitan planning organizations to ensure compliance with federal law.

Your Committees received testimony in support of this measure from the Department of Transportation Services of the City and County of Honolulu, Department of Planning and Permitting of the City and County of Honolulu, Citizens Advisory Committee of the Oahu Metropolitan Planning Organization, and one individual. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Department of Budget and Finance and Office of Information Practices.

Your Committees find that federal laws require that metropolitan planning organizations be designated based on a minimum population threshold as defined in federal law to act as a decision-making agency and to receive certain funds for the purpose of carrying out a continuing, cooperative, and comprehensive transportation planning process.

Your Committees further find that it is the responsibility of the policy board of the Metropolitan Planning Organization to make decisions that are the result of the continuing, cooperative, and comprehensive transportation planning process, and the organization's staff support and provide technical resources to the policy board. The continuing, cooperative, and comprehensive planning process is designed to provide orderly and reasoned metropolitan transportation planning within the framework of federal law, and adequate and informed representation from state and county governments.

Your Committees further find that existing state law conflicts with current federal transportation regulations. This conflict needs to be rectified in order for the Oahu Metropolitan Planning Organization to maintain its federal Transportation Management Area certification. According to testimony, the consequences of a de-certification by the federal government would be a withholding of up to twenty percent of federal surface transportation funds normally distributed to Oahu, or about \$12,000,000 annually.

Your Committees have amended this measure by:

- (1) Deleting the Oahu metropolitan planning organization special fund and creating a metropolitan planning organization revolving fund for each metropolitan planning organization to accurately reflect the nature of the fund as continuously receiving and expending monies;
- (2) Clarifying that:
 - (A) The metropolitan planning organization revolving fund may receive federal funds or grants;
 - (B) Funds in the metropolitan planning organization revolving fund for each county shall be expended by the applicable county for purposes of transportation planning in accordance with federal law;
 - (C) The metropolitan planning organization for a particular county may expend funds from their respective revolving fund without necessity of an appropriation; and
 - (D) Each metropolitan planning organization having a revolving fund shall report annually to the Legislature on a detailed accounting of the activities of their respective revolving fund for the previous year;
- (3) Deleting the exemption for special fund reimbursements for departmental administrative expenses since the metropolitan planning organization revolving fund is no longer a special fund; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1180, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1180, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 8. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 422 (Joint) Hawaiian Affairs and Higher Education and the Arts on S.B. No. 1248

The purpose and intent of this measure is to expand the scope of the Hawaiian language revolving fund at the University of Hawaii at Hilo to allow funds generated by the College of Hawaiian Language, Hawaiian Language Support Center, and the indigenous outreach program to be deposited and used at the discretion of the College of Hawaiian Language.

Your Committees received testimony in support of this measure from Kulanui O Hawaii Ma Hilo, Aha Punana Leo, and four individuals. Your Committees received testimony in opposition to this measure from the University of Hawaii System.

Your Committees find that allowing funds from various sources to be deposited in the Hawaiian language revolving fund will allow the College of Hawaiian Language the opportunity to utilize the single source of funds to support its mission. Of note, projects such as the publication of educational materials for the Hawaiian language program will be made easier. Your Committees note the concerns raised by the University of Hawaii System over allowing fees from services to be deposited into the revolving fund. However, in moving this measure forward for consideration by your Committee on Ways and Means, your Committees have encouraged the University of Hawaii at Hilo and the College of Hawaiian Language to work together to develop proposed language that would be acceptable to the stakeholders.

Your Committees have amended this measure by:

- (1) Replacing “sale of all products” with “sale of language-related materials” as those terms pertain to income generating activities;
- (2) Deleting the language that specified monies deposited into the revolving fund shall be expended at the discretion of the Hawaiian language college;
- (3) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1248, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1248, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Kidani, Wakai, Slom).

SCRep. 423 (Joint) Hawaiian Affairs and Health and Water and Land on S.B. No. 537

The purpose and intent of this measure is to provide that a project possessing a notice to proceed on a statewide programmatic general permit to reconstruct, restore, repair, or reuse a Hawaiian fishpond shall be exempt from the requirement to obtain a permit or water quality certification pursuant to chapter 342D, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Land Use Research Foundation of Hawaii, Ko‘olaupoko Civic Club, and seven individuals. Your Committees received testimony in opposition to this measure from Loko Ia Consulting and Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Department of Health, Office of Hawaiian Affairs, and Kua‘aina Ulu ‘Auamo.

Your Committees find that by requiring the Department of Health to waive the requirement of a water quality certification under certain circumstances, this measure would promote the streamlining of the permitting process for persons seeking to restore, repair, or reuse Hawaiian fishponds.

Your Committees have amended this measure by:

- (1) Amending the purpose section;
- (2) Inserting a definition for “loko i‘a” in section 342D-6.5, Hawaii Revised Statutes, and replacing the term “fishpond” with “loko i‘a” throughout that section;
- (3) Specifying that the waiver applies to the water quality certification and shall be granted for the restoration, repair, maintenance, and operation of loko i‘a;
- (4) Clarifying that notice of authorization to proceed is from the Office of Conservation and Coastal Lands; and
- (5) Amending the definition of “water quality certification”.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Health, and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 537, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 537, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 424 (Joint/Majority) Higher Education and the Arts and Judiciary and Labor on S.B. No. 637

The purpose and intent of this measure is to propose an amendment to Article X, Section 6, of the Constitution of the State of Hawaii to divest exclusive jurisdiction of the Board of Regents of the University of Hawaii over the internal structure, management, and operation of the University of Hawaii.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the University of Hawaii System, University of Hawaii Professional Assembly, and one individual.

Your Committees find that over the last several years, there have been concerns raised about the management and governance of the University of Hawaii System. As the only public institution of higher learning in the State, it is important to ensure proper oversight and transparency of the University's fiscal and operational administration. This measure opens the conversation on whether the University of Hawaii System should maintain its autonomy.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 637 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Kidani, Wakai).

Judiciary and Labor

Ayes, 5; Ayes with Reservations (Ihara, Thielen). Noes, 1 (Slom). Excused, 1 (Espero).

SCRep. 425 (Joint/Majority) Higher Education and the Arts and Judiciary and Labor on S.B. No. 387

The purpose and intent of this measure is to require the University of Hawaii System to establish and enforce an affirmative consent standard for all policies and protocols relating to sexual assault, domestic violence, dating violence, and stalking as a condition for receiving state funds for student financial assistance.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Hawaii Youth Services Network, Hawaii Women's Coalition, American Association of University Women, Sex Abuse Treatment Center, IMUAlliance, Planned Parenthood of Hawaii, Hawaii State Democratic Women's Caucus, Hawaii State Coalition Against Domestic Violence, National Association of Social Workers Hawaii Chapter, and seven individuals. Your Committees received testimony in opposition to this measure from the University of Hawaii System.

Your Committees find that more than eight hundred colleges and universities across the nation have already adopted affirmative consent policies, and nine other states are also considering affirmative consent legislation. These universities have since reported the positive impact resulting from such policies and the change in campus dialogue about healthy relationships and consent.

Your Committees have amended this measure by:

- (1) Clarifying the legislative intent to explicitly require the University of Hawaii System and the Board of Regents to act jointly to establish and enforce an affirmative consent standard for all policies and protocols relating to sexual assault, domestic violence, dating violence, and stalking;
- (2) Deleting the requirement that the governing board of each community college, trustees of the University of Hawaii, and Board of Regents adopt certain policies and protocols as a condition of receiving state funds for student financial assistance; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 387, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 387, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Kidani, Wakai).

Judiciary and Labor

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Espero).

SCRep. 426 (Majority) Judiciary and Labor on S.B. No. 457

The purpose and intent of this measure is to provide a legislative vehicle to fund pending public sector collective bargaining cost items for salary adjustments, other cost adjustments, and Hawaii employer-union health benefits trust fund costs for public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, Hawaii Health Systems Corporation, and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (9) are currently in progress. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

Your Committee has amended this measure by inserting an effective date of January 7, 2019, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 457, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 457, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 427 (Majority) Judiciary and Labor on S.B. No. 384

The purpose and intent of this measure is to:

- (1) Establish the address confidentiality program to help victims of domestic violence and sexual assault to relocate and keep their addresses confidential; and
- (2) Create the address confidentiality program surcharge fund.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission, Hawaii State Commission on the Status of Women, PHOCUSED, Domestic Violence Action Center, The Sex Abuse Treatment Center, Women's Caucus of the Democratic Party of Hawaii, American Association of University Women of Hawaii, Hawaii Women's Coalition, League of Women Voters of Hawaii, and six individuals. Your Committee received comments on this measure from the Department of Accounting and General Services and Department of Budget and Finance.

Your Committee finds that address confidentiality programs are necessary in light of modern technology that makes information easily accessible through the Internet and in public records. According to the written testimony submitted by the Hawaii State Commission on the Status of Women, thirty-six states have enacted and implemented address confidentiality programs. This measure helps to keep victims of domestic violence and sexual assault safe by protecting their actual addresses while providing a substitute address to enable them to be legally served, receive child support payments, register to vote, and apply for a driver's license.

Your Committee has amended this measure by:

- (1) Deleting language requiring that an applicant provide any documentation from a religious, medical, or other professional from whom the applicant has sought assistance in dealing with the alleged domestic violence, sexual offense, or stalking from the types of evidence an applicant may include in the application;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 384, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 384, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 428 Judiciary and Labor on S.B. No. 144

The purpose and intent of this measure is to increase the threshold value in controversy requirement for jury trials in civil cases at common law from \$5,000 to \$10,000.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that this measure may assist in lessening the burden on Circuit Courts with matters not involving large sums of money. Your Committee further finds that increasing the threshold value may lessen costs to the parties involved because a jury trial in Circuit Court can be more expensive than a bench trial in District Court.

Your Committee has amended this measure by deleting language that requires this measure to become effective upon ratification of a constitutional amendment to increase the threshold value in controversy requirement and inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 144, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 144, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 429 (Majority) Judiciary and Labor on S.B. No. 129

The purpose and intent of this measure is to require certain employers to provide sick leave to service workers for specified purposes under certain conditions.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Americans for Democratic Action Hawaii, Hawaii State AFL-CIO, ILWU Local 142, Hawaii Government Employees Association, and one individual. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii, First Hawaiian Bank, National Federation of Independent Business, ABC Stores, Society for Human Resource Management Hawaii Chapter, Times Supermarket, Hawaii Food Industry Association, and one individual. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that this measure would provide paid sick leave for many workers who currently are not entitled to sick leave. Upon consideration of testimony, your Committee finds that employers that already have a paid leave policy more generous than required by this measure should be exempted from the provisions of this measure.

Your Committee has amended this measure by:

- (1) Deleting the definition of "retaliatory personnel action";

- (2) Amending the definition of “service worker” to specifically include employees of food establishments and adding a definition for “food establishment”;
- (3) Providing an exemption for employers who:
 - (A) Offers paid leave that may be used at a rate greater than required by this measure; and
 - (B) Have a sick leave policy approved by the Director of Labor and Industrial Relations;
- (4) Applying “earned” sick leave as opposed to “accrued” sick leave;
- (5) Deleting language relating to notice of intention to use leave and documentation of the purpose for which leave is taken;
- (6) Adding the new language to chapter 388, Hawaii Revised Statutes, as opposed to 386, Hawaii Revised Statutes;
- (7) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 129, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 129, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Thielen). Noes, 1 (Slom). Excused, none.

SCRep. 430 (Joint) Energy and Environment and Health on S.B. No. 1118

The purpose and intent of this measure is to make an emergency appropriation to the Department of Health to support public health and environmental hazard evaluation and emergency response preparedness.

Your Committees received testimony in support of this measure from the Department of Health.

Your Committees find that the Department of Health provides public health and environmental hazard evaluation and emergency response services twenty-four hours a day, seven days a week. Services are funded by the environmental response revolving fund, which is capitalized primarily by the state environmental response, energy, and food security tax. However, the environmental response revolving fund balance is dangerously low due to reduced consumption of crude oil in the State, while demand for public health and environmental hazard evaluation and emergency response has increased. Without adequate capitalization, the Department of Health will be forced to begin the process of laying off program staff before the end of fiscal year 2015. Implementation of this measure will preserve public health by continuing environmental hazard evaluation and emergency response preparedness.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1118 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Ruderman).

SCRep. 431 (Joint) Energy and Environment and Health on S.B. No. 1260

The purpose and intent of this measure is to:

- (1) Require the Department of Health to implement the recommendations made by the Office of the Auditor in its December 2014 Report No. 14-17 regarding advance disposal fee glass containers and glass recycling; and
- (2) Require the Department of Health to report on its implementation of the recommendations to the Legislature.

Your Committees received testimony in support of this measure from the Office of the Auditor, Koa'e Community Association, Recycle Hawaii, Laakea Community LLC, Reynolds Recycling, and eight individuals. Your Committees received testimony in opposition to this measure from the Department of Health. Your Committees received comments on this measure from one individual.

Your Committees find that the Office of the Auditor conducted an audit of the Department of Health's advance disposal fee program and released Report No. 14-17 in December of 2014. The report recommends that the Department of Health combine the advance disposal fee and deposit beverage container glass processing streams to increase efficiency and decrease costs while increasing the supply of glass available for down-cycling, update and finalize the 2008 Policy Glass Recycling Draft, work with stakeholders to make practical policies and rules governing the stockpiling of processed glass, and increase the recovery rate for advance disposal fee glass containers to seventy-five percent. Implementation of this measure will encourage the State to address the obstacles to local down-cycling of advance disposal fee glass and implement local uses of advance disposal fee glass.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1260 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Ruderman).

SCRep. 432 (Joint) Energy and Environment and Agriculture and Transportation on S.B. No. 1059

The purpose and intent of this measure is to:

- (1) Authorize the inspection and treatment of regulated goods moving between islands;
- (2) Prohibit transportation of infested material between islands;
- (3) Authorize the designation of quarantine areas to isolate infested areas;
- (4) Authorize the interisland or intransland transportation of articles from a quarantined area if the consignor and consignee of the articles are participants in the Department of Agriculture's compliance agreement program; and
- (5) Establish penalties for violations of intrastate transportation and quarantine laws and rules.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Coordinating Group on Alien Pest Species, University of Hawaii System, Nature Conservancy, and one individual.

Your Committees find that the State has attempted to control certain invasive species but that control efforts are often too late to stop the spread of certain invasive species across the State. As a result, invasive species now infest hundreds of thousands of acres and affect Hawaii's export industry, tourism revenues, property values, residents' quality of life, and the environment. It is necessary to identify pathways and areas infested with priority pests and mitigate the chances that pests will enter transportation networks. Implementation of this measure will enhance biosecurity and protect the State's environment.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Agriculture, and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1059, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1059, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Wakai).

Transportation

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kidani).

SCRep. 433 (Joint) Energy and Environment and Health on S.B. No. 1170

The purpose and intent of this measure is to:

- (1) Require the Department of Health to adopt a standard specification for compostable plastics and that plastic products labeled as "compostable" meet the adopted standard specification;
- (2) Prohibit a person from selling plastic products labeled as "biodegradable" or implying that a plastic product will break down, fragment, biodegrade, or decompose in a landfill or other environment;
- (3) Exempt the sale of plastic products labeled as "compostable" if certain criteria are met; and
- (4) Establish fines for violators.

Your Committees received testimony in support of this measure from the Surfrider Foundation Oahu Chapter, Rise Above Plastics Coalition, Beach Environmental Awareness Campaign Hawaii, and six individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that people often use biodegradable items in their efforts to eliminate the wide use of plastics that present environmental and health hazards. However, biodegradable plastics are actually more damaging to the environment than regular plastics. Biodegradable food service items contain plastic and are designed to break down into microplastics, which create a great threat to marine life. The marketing of products as "biodegradable", "degradable", and "decomposable" misleads the public and is dangerous to the environment. Implementation of this measure will reduce the consumption of single use plastic products and move the State toward a more sustainable future.

Your Committees have amended this measure by:

- (1) Defining "degradable" and "decomposable";
- (2) Prohibiting a person from selling a plastic product labeled with the term "degradable" or "decomposable", in addition to "biodegradable";
- (3) Amending the purpose section to reflect the additional prohibitions; and

- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1170, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1170, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Baker, Ruderman).

SCRep. 434 (Joint) Energy and Environment and Health on S.B. No. 1111

The purpose and intent of this measure is to authorize the Department of Health to transfer federal capitalization grant funds between the water pollution control revolving fund and the drinking water treatment revolving loan fund, in accordance with title 40 Code of Federal Regulations section 35.3530(c).

Your Committees received testimony in support of this measure from the Department of Health and Board of Water Supply of the City and County of Honolulu.

Your Committees find that there is a need to replace aging drinking water and wastewater system infrastructure in the State, the delay of which could pose a short-term and long-term health hazard for consumers. The drinking water treatment revolving loan fund and the water pollution control revolving fund have not been administered in a way that manages yearly capitalization grants received from the United States Environmental Protection Agency to the maximum extent allowed under the Safe Drinking Water Act. This has prevented the construction of health-protective infrastructure projects in Hawaii. Implementation of this measure will ensure the efficient disbursement of annual federal capitalization grant monies, benefiting public health and the environment.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1111, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1111, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Ruderman).

SCRep. 435 (Joint/Majority) Energy and Environment and Health on S.B. No. 689

The purpose and intent of this measure is to:

- (1) Prohibit the sale of personal care products that contain plastic microbeads beginning on January 1, 2016; and
- (2) Require violators to pay a fine.

Your Committees received testimony in support of this measure from the Department of Health, Animal Rights Hawaii, Rise Above Plastics Coalition, Surfrider Foundation Oahu Chapter, Consumer Healthcare Products Association, Beach Environmental Awareness Campaign Hawaii, and eight individuals.

Your Committees find that microbeads are gentle scrubbers that are added to numerous personal care products, including shampoos, soaps, and toothpastes. Research has indicated that wastewater treatment plants are unable to filter out microbeads, and as a result microbeads pass through sewage systems and eventually enter into waterways. Once microbeads enter the marine environment, they are impossible to remove and are a significant source of environmental degradation. Implementation of this measure will reduce the State's production of waste and its negative impact on the environment.

Your Committees have amended this measure by:

- (1) Replacing the phrase "synthetic plastic microbeads" with "plastic microbeads" throughout the measure;
- (2) Replacing the definition of "synthetic plastic microbead" with "plastic microbead", which is defined as any intentionally added solid plastic particle measuring five millimeters or less that is used in personal care products;
- (3) Delaying to December 31, 2017, the start date for the prohibition on the sale of personal care products that contain plastic microbeads; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 689, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 689, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Baker, Ruderman).

SCRep. 436 Health on S.B. No. 682

The purpose and intent of this measure is to prohibit discrimination against medical marijuana patients and caregivers by schools, landlords, employers, courts, and licensing boards, or with regard to medical care or parental rights.

Your Committee received testimony in support of this measure from Green Futures; Drug Policy Action Group; Alternative Pain Management Pu'uhonua, LLC; Drug Policy Forum of Hawaii; Hawaii Cannabis Care; Sacred Truth Mission; Community Alliance on Prisons; Americans for Safe Access, Big Island Chapter; and thirty-three individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu and one individual. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, Hawaii Catholic Conference, Hawaii Family Forum, and one individual.

Your Committee finds that support for the medical use of marijuana in the State is strong, but existing protections for patients are very weak regarding civil penalties. Patients within the medical marijuana program should not be less secure in their housing, school enrollment, employment, or supplemental medical care than patients who have made different private decisions with their doctors concerning medication.

Your Committee has heard the testimony of the Department of the Attorney General expressing concerns related to the federal restrictions of marijuana and certain occupations, such as medical first responders or those who are required to carry a firearm. Your Committee finds that this issue raises concerns that merit further consideration and requests that your Committee on Judiciary and Labor further examine those issues and concerns if it chooses to hear this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 682, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 682, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Wakai).

SCRep. 437 (Joint) Health and Agriculture and Energy and Environment on S.B. No. 793

The purpose and intent of this measure is to establish mandatory notice, reporting, and use requirements when pesticides are applied outdoors near sensitive areas.

Your Committees received testimony in support of this measure from Hawaii County Council, Hawaii Farmers Union United, American Congress of Obstetricians and Gynecologists, Hawaii Center for Food Safety, American Academy of Pediatrics, BluSea Foundation Global Mana, Ho'okipa Network, 'Ai Pohaku, Planned Parenthood, Good Beginnings Alliance, Association of Hawaiian Civic Clubs, Environmental Caucus of the Democratic Party of Hawaii, Surfrider Foundation, Hawaii State Commission on the Status of Women, Hawaii Alliance, UNITE HERE Local 5, and numerous individuals. Your Committees received testimony in opposition to this measure from the Hawaii Crop Improvement Association; Hunting, Farming, and Fishing Association; Maui County Farm Bureau; Hawaii Cattlemen's Council; CropLife America; Hawaii Farmers & Ranchers United; Monsanto Hawaii; Dow Agrosiences; Alexander & Baldwin; Hawaii Farm Bureau; DuPont Pioneer; Syngenta Hawaii; Chamber of Commerce Hawaii; and thirteen individuals. Your Committees received comments on this measure from the Department of Agriculture, Hawaii Pest Control Association, Hawaii Alliance for Progressive Action, and a few individuals.

Your Committees find that it is of the utmost importance to protect communities that could be potentially impacted by pesticide drift. In Hawaii, there have been at least six episodes of pesticide-induced illness at schools since 2006. Exposure to pesticide drift causes numerous short-term impacts, such as headaches, dizziness, difficulty breathing, nausea, vomiting, weakness, chest pain, fatigue, rashes, and eye ailments.

Your Committees have heard the testimony of several concerned entities and individuals about several key issues and request that your Committees on Commerce and Consumer Protection and Ways and Means consider the following as it relates to this measure and pesticide use in general:

- (1) An improved definition for "watershed";
- (2) The importance of pesticide use disclosure to the public;
- (3) There is great concern about the combination of pesticides when used together, the effects of which have not been thoroughly researched;
- (4) An exclusion for termite treatment as it relates to this measure;
- (5) Establishing integrated pesticide management plans for schools; and

- (6) In establishing buffer zone boundaries, vapor drift and pesticide-laden dust should be taken into consideration.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health, Agriculture, and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 793, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 793, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5; Ayes with Reservations (Riviere, Wakai). Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Riviere, Wakai). Noes, none. Excused, 2 (Taniguchi, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 438 (Joint) Health and Agriculture and Energy and Environment on S.B. No. 1037

The purpose and intent of this measure is to require the Department of Health to establish a mandatory disclosure program for pesticide use by all persons or entities under certain circumstances.

Your Committees received testimony in support of this measure from the American Congress of Obstetricians and Gynecologists; American Academy of Pediatrics, Hawaii Chapter; Good Beginnings Alliance; CropLife America; Planned Parenthood; Life of the Land; BluSea Foundation; Environmental Caucus of the Democratic Party of Hawaii; IMUAlliance; and sixteen individuals. Your Committees received testimony in opposition to this measure from Western Plant Health Association, Syngenta Hawaii, Hawaii Farm Bureau, Dow Agrosiences, Hawaii Farmers and Ranchers United, Hawaii Cattlemen's Council, Hawaii Crop Improvement Association, Maui County Farm Bureau, Chamber of Commerce Hawaii, and six individuals. Your Committees received comments on this measure from the Department of Health; Department of Agriculture; Alexander & Baldwin, Inc.; and Hawaii Pest Control Association.

Your Committees find that it is of the utmost importance to protect communities that could be potentially impacted by pesticide drift. In Hawaii, there have been at least six episodes of pesticide-induced illness at schools since 2006. Exposure to pesticide drift causes numerous short-term impacts, such as headaches, dizziness, difficulty breathing, nausea, vomiting, weakness, chest pain, fatigue, rashes, and eye ailments.

Your Committees have heard testimony from several individuals related to the unknown effects of combinations of pesticide use and request that your Committee on Ways and Means examine this issue if it chooses to hear this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health, Agriculture, and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1037, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1037, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5; Ayes with Reservations (Riviere, Wakai). Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Riviere, Wakai). Noes, none. Excused, 2 (Taniguchi, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 439 Human Services and Housing on S.B. No. 271

The purpose and intent of this measure is to add to the Child Protective Act circumstances where a biological family shall be considered an unsafe placement by expanding the definition of "aggravated circumstances" as used in chapter 587A, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii Friends of Civil Rights, Olomea Inc., and six individuals. Your Committee received testimony in opposition to this measure from the Department of Human Services, Farrell and Associates, Hawaii Appleseed Center for Law and Economic Justice, Pacific Alliance to Stop Slavery, Women Helping Women, and fourteen individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the ultimate concern in child welfare practice and policy is the safety and security of children. Currently, Hawaii statute defines specific "aggravated circumstances" that, when present, preclude the State from having to provide reasonable efforts to preserve or reunify children with their biological parents. The existence of aggravated circumstances expedites the process of terminating biological parents' parental rights by taking some of the discretion away from child welfare professionals involved in the case and making an immediate determination that the biological family is no longer a safe placement for the child due

to grave circumstances such as a parent committing specific crimes, torturing or abandoning a child, or having parental rights terminated on a sibling of the child.

Your Committee has heard testimony expressing concern about expanding the definition of “aggravated circumstances” in the Child Protective Act. Your Committee recognizes the testimony expressing that the current statute sufficiently protects children, and that inserting additional aggravated circumstances could have unintentional consequences such as deterring struggling families from seeking help and creating obstacles to the child welfare goals of family engagement, collaboration, and reunification. Your Committee finds that these concerns merit further consideration.

Your Committee has amended this measure by:

- (1) Removing all references in the list of aggravated circumstances to a parent providing unstable housing;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 271, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 271, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 440 Human Services and Housing on S.B. No. 1202

The purpose and intent of this measure is to establish the homeownership revolving fund to assist households whose income does not exceed eighty percent of the area median income by paying the debt service on the purchase of a dwelling for the first sixty months.

Your Committee received testimony in support of this measure from four individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Hawaii Housing Finance and Development Corporation.

Your Committee finds that there is a growing shortage of housing units in Hawaii resulting in low vacancy rates and rising rents, causing many families to struggle to achieve homeownership. Therefore, your Committee finds that certain families and individuals seeking homeownership are in need of assistance.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1202, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1202, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 441 Agriculture on S.B. No. 382

The purpose and intent of this measure is to establish within the livestock revitalization program a grant program for qualified feed developers.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Hawaii Cattlemen’s Council, and Ulupono Initiative.

Your Committee finds that Hawaii’s livestock industry faces numerous challenges, with one of the biggest being the rising cost of feed for livestock production. Having the taxpayers of Hawaii subsidize a feed development program is a good investment to meet Hawaii’s sustainability goals; however, a long-term plan to subsidize imported feed, especially for export products, is not in the public interest.

Your Committee has amended this measure by:

- (1) Removing language throughout that refers to the sale or cultivation of feed or feed crops to or for qualified producers;
- (2) Including transportation costs from Hawaii to be included in the calculation of feed development costs;
- (3) Inserting language to require the Department of Agriculture to disburse funds on a prorated basis;
- (4) Inserting language to cap each grant to \$200,000 per qualified feed producer per year;
- (5) Deleting the proviso in the appropriation relating to the qualified feed developer grant program;
- (6) Inserting an appropriation for the Department of Agriculture to identify, assess, and validate locally sourced feed ingredients; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 382, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 442 (Joint) Agriculture and Education on S.B. No. 376

The purpose and intent of this measure is to create a farm to school program in the Department of Agriculture and to provide funding for two farm to school coordinator positions to oversee the State's farm to school program.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawaii PALS Program, University of Hawaii System, Hawaii Farm Bureau, Local Food Coalition, Hawaii Farm to School and School Garden Hui, Kokua Hawaii Foundation, Kua o ka La Charter School, Hawaii Island School Garden Network, and thirty-six individuals. Your Committees received comments on this measure from the Department of Agriculture and Office of Hawaiian Affairs.

Your Committees find that Oregon, a national leader in the farm to school movement, has full-time farm to school coordinators in Oregon's department of agriculture and department of education that work together to increase educational opportunities and the procurement of locally grown foods for schools and encourage the students' consumption of locally grown foods. Your Committees further find that farm to school activities support a nutritious school food environment and that more than eighty-five percent of the youth in Hawaii attend public schools. Students who participate in farm to school activities are more likely to be familiar with, have a preference for, and consume more fruits and vegetables at school and at home, thereby establishing healthy behaviors at an early age that may prevent the onset of chronic diseases and other health conditions later in life. Therefore, your Committees believe that Hawaii students could greatly benefit from a program similar to Oregon's program.

Your Committees also find that Act 55, Session Laws of Hawaii 2013, encourages the purchase and use of Hawaii grown food and food products by residents, businesses, and governmental bodies. Your Committees support increasing the procurement of local agricultural products for schools, which has the added benefit of supporting the State's agricultural economy by providing an additional revenue source for local farmers.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 376, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 376, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Thielen, Slom).

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 443 Higher Education and the Arts on S.B. No. 325

The purpose and intent of this measure is to provide funds for the University of Hawaii to pay student employee salaries at new or expanded worksites on each campus.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii at Manoa, and nineteen individuals.

Your Committee finds that hiring students at universities benefits both the student and the university. Hired students have the ability to earn income as they are learning from their jobs, and on-campus employment helps to promote access, retention, diversity, and progress toward graduation of the student employees. Further, the Legislature has previously provided funding from the general revenues of the State of Hawaii for the University of Hawaii to pay student employee salaries at new or expanded worksites on each campus through Act 237, Session Laws of Hawaii 2013.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 325 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 444 Water and Land on S.B. No. 893

The purpose and intent of this measure is to appropriate funds to the Pacific-Asia Institute for Resilience and Sustainability for research on water and sewer distribution systems on each island and a pilot study for advanced monitoring of water systems.

Your Committee received testimony in support of this measure from Enterprise Honolulu, Pacific-Asia Institute for Resilience and Sustainability, and two individuals.

Your Committee finds that the United States Environmental Protection Agency has identified Hawaii as the focus for improving how funding is used to support water systems and infrastructure. There is approximately \$100,000,000 in unused funds from the United States Environmental Protection Agency's drinking water state revolving fund. The fund is used to make grants and low

interest loans for county water improvement projects that have had difficulty obtaining necessary permits from the state Department of Health.

Your Committee further finds that the water and sewer distribution systems in our State are important for any future economic growth. Furthermore, as the United States Environmental Protection Agency identified, there is a need to appropriately evaluate and improve water systems and infrastructure. This measure will assist in using available funding resources in an efficient and fiscally responsible manner.

Your Committee requests the Pacific-Asia Institute for Resilience and Sustainability to provide more information about its presence in Hawaii as this measure moves through the legislative process, including information on its ability to accomplish their research and pilot study locally.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 893, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 893, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 445 (Joint) Water and Land and Economic Development and Technology on S.B. No. 1074

The purpose and intent of this measure is to:

- (1) Require the Office of Planning to review and propose updates to the Hawaii State Planning Act and to submit a written report to the Legislature accordingly; and
- (2) Make an appropriation to the Office of Planning for reviewing and proposing the updates.

Your Committees received testimony in support of this measure from the Office of Planning.

Your Committees find that the Hawaii State Planning Act was enacted in 1978 to improve the planning process and guide future development of the State. The Hawaii State Planning Act sets forth the Hawaii State Plan, which articulates goals and policies to guide the development of the State and establishes an integrated planning and implementation system regarding those goals and policies. The last review of the Hawaii State Planning Act was initiated in 1983 and completed in 1985 and resulted in several amendments to the Hawaii State Planning Act. Since then, there have been significant changes in Hawaii's economic, physical, and social conditions; technology; and the global marketplace.

Accordingly, your Committee further finds that a comprehensive review of the Hawaii State Planning Act, chapter 226, Hawaii Revised Statutes, is now warranted.

As affirmed by the records of votes of the members of your Committees on Water and Land and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1074 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

Economic Development and Technology

Ayes, 7. Noes, none. Excused, none.

SCRep. 446 (Joint) Water and Land and Transportation and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1127

The purpose and intent of this measure is to provide alternative civil enforcement options that may be utilized by the Board of Land and Natural Resources (Board) in the processing of natural and cultural resource violation cases.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, The Nature Conservancy, and one individual. Your Committees received testimony in opposition to this measure from the Near Shore Fishermen of Hawaii.

Your Committees find that Hawaii's fragile environment may be improved through improved compliance, enforcement, and prosecution of violations of our state natural resource laws.

Your Committees further find that the Department of Land and Natural Resources is lacking in adequate enforcement powers under current law. Currently, the Board may levy administrative fines and order encroachment removal and damage restoration for violations of natural and cultural resource laws and rules. However, in many cases, the use of these means may not be feasible or optimal. This measure is intended to provide greater flexibility to the Board in taking enforcement actions.

Your Committees further find that in many resource violation cases, it is unfair to continue to allow a party to reap economic benefits from the holding of a license or permit issued by the Department of Land and Natural Resources while delinquent in complying with a law or rule administered by the Department. Oftentimes, the violation is so interrelated to the license or permit, even if not directly related, that a withholding of the license or permit is not only a justifiable but also a responsible action that should be taken by the Board.

Your Committees have amended this measure by:

- (1) Inserting language to authorize the Board to suspend, revoke, or deny any application for a license or permit issued under the authority of the Board or Department of Land and Natural Resources if the Board finds that the licensee, permittee, or applicant has failed to comply with a final order of the Board issued under title 12 or chapter 6D or 6E, Hawaii Revised Statutes, or any rule adopted thereunder, until satisfactory compliance is certified by the Board or its designated agent;
- (2) Clarifying that the Director of Finance of the appropriate county shall deny any application for registration of a motor vehicle if the Director of Finance has received from the Board notification of failure to pay a fine due under a final decision and order by the Board; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Furthermore, your Committees request the Department of the Attorney General to review this measure and provide further amendments as warranted as the measure moves forward this session.

As affirmed by the records of votes of the members of your Committees on Water and Land, Transportation, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1127, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1127, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Slom).

Transportation

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Kidani, Kouchi, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 447 (Joint/Majority) Water and Land and Judiciary and Labor on S.B. No. 761

The purpose and intent of this measure is to:

- (1) Require the Board of Land and Natural Resources and an opposing party to mutually agree to resolve disputes regarding the fair market value or fair market rental of public lands through binding mediation or binding arbitration;
- (2) Specify that if either party in a dispute cannot agree on binding mediation or binding arbitration, the dispute shall be determined by binding arbitration; and
- (3) Require the Board and an opposing party, when reopening a rental, to resolve disputes through binding mediation or as provided in the lease.

Your Committees received testimony in support of this measure from the Hawaii Chapter of the Appraisal Institute. Your Committees received testimony in opposition to this measure from the Hawaii Farm Bureau, HPM Building Supply, Hawaii Cattlemen's Council, and four individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that Act 168, Session Laws of Hawaii 2014 (Act 168), has caused some confusion regarding situations where a tenant may prefer to proceed directly to arbitration. Your Committees find that amendments to this measure are necessary to authorize tenants to opt out of mediation and proceed directly to arbitration.

Your Committees have amended this measure by:

- (1) Deleting the proposed amendments to section 171-17, Hawaii Revised Statutes;
- (2) Inserting language to require that in cases of determining the fair market value or fair rental value of public land in sale, lease, or repurchase transactions involving the Board of Land and Natural Resources, the parties shall proceed by mandatory mediation, unless the tenant opts out of mediation and prefers to proceed directly to arbitration;
- (3) Amending the purpose section accordingly;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 761, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 761, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 3. Noes, 1 (Ruderman). Excused, 3 (Galuteria, Ihara, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 448 Human Services and Housing on S.B. No. 481

The purpose and intent of this measure is to encourage individuals with disabilities to gain employment and improve their employment opportunities through expanding their access to Medicaid by:

- (1) Establishing a Medicaid buy-in program within the Department of Human Services that will be implemented by July 1, 2018;
- (2) Establishing and appropriating funds for a Medicaid buy-in pilot program within the Department of Health that will be implemented by July 1, 2016, and terminated on June 30, 2018; and
- (3) Appropriating funds to the University of Hawaii Center on Disability Studies to prepare and conduct outreach and training relating to the Medicaid buy-in program for workers with disabilities.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association and Ohana Health Plan. Your Committee received comments on this measure from the Department of Human Services and Easter Seals Hawaii.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Removing provisions that established the Medicaid buy-in program and the Medicaid buy-in pilot program as well as the appropriation for the pilot program;
- (2) Removing the appropriation for the University of Hawaii Center on Disability Studies for outreach and training related to the Medicaid buy-in program;
- (3) Inserting language that establishes the working disabled adults eligibility group within the Department of Human Services, for the purpose of supporting employment of individuals with disabilities by expanding their access to Medicaid, and establishing eligibility criteria for the group which will be implemented by July 1, 2015;
- (4) Inserting an appropriation for the working disabled adults eligibility group;
- (5) Making the measure effective upon its approval and the appropriation effective on July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Health, State Council on Developmental Disabilities, and Lanakila Pacific. Your Committee received comments on the proposed S.D. 1 from the Hawaii Disability Rights Center.

Your Committee finds that current state programs and policies, including state-designed Medicaid waiver programs, create disincentives for persons with disabilities to become employed, maintain employment, or increase their employment income. In 2012, a joint legislative task force was formed to explore the possibility of implementing a Medicaid buy-in program for individuals with disabilities who are not working or would like to earn more income, based upon Hawaii's Medicaid income and asset limits. Your Committee further finds that encouraging individuals to gain employment and improve their employment promotes the idea of having a fulfilling life for individuals with disabilities and also promotes economic development in the State.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 481, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 449 Human Services and Housing on S.B. No. 922

The purpose and intent of this measure is to ensure that family courts terminate the parental rights of natural parents convicted of rape or sexual assault with respect to children who were conceived as a result of the rape or sexual assault.

Your Committee received testimony in support of this measure from the American Association of University Women Hawaii and four individuals.

Your Committee finds that currently family court is permitted, but not mandated, to terminate the parental rights to a child of a natural parent if the natural parent is convicted of rape or sexual assault and that crime results in the conception of the child. Your Committee further finds that sexual assault victims who have children as a result of the crime perpetrated against them face additional struggles and should not have to face the possibility of their assaulter remaining in their life because the assaulter retained parental rights to the child.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 922 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 450 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on S.B. No. 746

The purpose and intent of this measure is to:

- (1) Eliminate civil service restrictions on the hiring and employment of the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator;
- (2) Authorize the coordinator to hire a secretary, exempt from civil service; and
- (3) Appropriate funds for the coordinator and secretary positions.

Your Committees received testimony in support of this measure from the Hawaii Emergency Management Agency. Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committees find that the economic viability of Hawaii rests upon the State's ability to monitor, detect, and defend its critical infrastructure from cyber attacks. The quantity and sophistication of cyber events, as well as the variety of attacks, will continue to evolve and grow exponentially in the years to come. Implementation of this measure will enable the State to assess and synchronize all efforts to develop and prioritize the resources necessary to build the State's cybersecurity.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 746, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 746, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 451 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on S.B. No. 672

The purpose and intent of this measure is to:

- (1) Authorize the Director of Finance to issue general obligation bonds to the Pacific International Space Center for Exploration Systems to purchase its headquarters and test facility; and
- (2) Appropriate funds to the Pacific International Space Center for Exploration Systems to execute its five strategic initiatives.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and four individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that the Pacific International Space Center for Exploration Systems promotes the establishment and growth of new sustainable and green industries, associated jobs, workforce development, internships, and science, technology, engineering, and mathematics education programs. Furthermore, the Pacific International Space Center for Exploration Systems has demonstrated significant progress toward advancing planetary surface systems technologies and the State's leadership in aerospace through five strategic initiatives. Implementation of this measure will advance the State's leadership in aerospace and foster the development of technologies to expand and diversify the State's economic and workforce development opportunities.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 672 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 452 (Joint) Public Safety, Intergovernmental and Military Affairs and Higher Education and the Arts on S.B. No. 661

The purpose and intent of this measure is to:

- (1) Establish the Hawaii unmanned aerial systems test site Chief Operating Officer position to, among other things, serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team;
- (2) Establish an advisory board to oversee and manage unmanned aerial systems test site operations; and
- (3) Appropriate funds to staff and operate Hawaii's unmanned aerial systems test site activities.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; University of Hawaii System; Hawaii Emergency Management Agency; Hawaii Aerospace Advisory Commission; and two individuals.

Your Committees find that there is a national need to safely integrate unmanned aerial systems into the national air space. The integration of unmanned aerial systems flights into the national air space will generate a technological asset that is estimated to be worth more than \$13,600,000,000 during the first three years of integration and more than \$82,000,000,000 during the next ten years, and create approximately 103,776 new jobs by 2025.

Your Committees further find that Hawaii offers many unique qualities to support unmanned aerial systems operations including expansive over-water areas unencumbered by other aviation uses; proximity to the United States Pacific Command, which is projected to be a significant user of future unmanned aerial systems; and opportunities for long-range point-to-point tests with partner ranges in Alaska and Oregon.

Your Committees further find that there are many existing and potential civilian uses of unmanned aerial systems, including emergency search and rescue operations; wildfire detection and management; agricultural management; tsunami damage surveys and assessment; air quality monitoring; and disaster management and damage assessment.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 661, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 661, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 5. Noes, none. Excused, none.

Higher Education and the Arts
Ayes, 4. Noes, none. Excused, 3 (Kidani, Wakai, Slom).

SCRep. 453 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on S.B. No. 628

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds for the plans, design, and construction of facilities for the state information technology and cyber security operations, Sheriff Division, Honolulu Fire Department, and Honolulu Police Department as part of the central Oahu First Responders Technology Campus and Cyber Security Command Center.

Your Committees received testimony in support of this measure from the Department of Public Safety.

Your Committees find that the First Responders Technology Campus and Cyber Security Command Center will centralize first responders and state information technology and cyber security facilities in a central location that is less prone to natural disasters to enable the sharing of resources and support services. Implementation of this measure will expedite the exchange of critical information among first responders and increase public safety.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 628 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 454 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on S.B. No. 257

The purpose and intent of this measure is to amend the definition of “eligible business activity” relating to enterprise zones to include research and development activities occurring at an aerospace facility.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that the Department of Business, Economic Development, and Tourism’s enterprise zone program encourages the development of long-term, full-time jobs for residents in the State’s economically disadvantaged areas. Implementation of this measure will advance the State’s aerospace industry and create additional skilled jobs for residents.

Your Committees have amended this measure by clarifying the definition of “aerospace facility”.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 257, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 257, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 455 (Joint/Majority) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 550

The purpose and intent of this measure is to prohibit the possession or consumption of tobacco products, including electronic smoking devices, by persons under eighteen in public places.

Your Committees received testimony in support of this measure from the Honolulu Police Department, Hawaii Community Pharmacy Association, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Health, Hawaii Youth Services Network, American Civil Liberties Union of Hawai'i, American Heart Association, Coalition for a Tobacco-Free Hawai'i, VOLCANO Fine Electronic Cigarettes, and four individuals.

Your Committees find that smoking and tobacco use remain the leading cause of preventable illness and death in Hawaii. Each year, smoking and tobacco use cause over 1,200 deaths and result in over \$526,000,000 in economic losses in the State. Nationally, the tobacco industry spends over \$8,500,000,000 annually on advertising and promotions — \$27,000,000 of which is spent in Hawaii. The tobacco industry continues to market their products with images and messages that strongly resonate among children and is aggressively increasing electronic smoking device advertising to youth.

Your Committees further find that this measure prohibits the possession or consumption of tobacco products, including electronic smoking devices, by minors in public places. Prohibiting minors' access to tobacco products will prevent early addictions to tobacco products and the health consequences of tobacco use.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 550, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 550, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health
Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Wakai).

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 456 Commerce and Consumer Protection on S.B. No. 589

The purpose and intent of this measure is to require the renewal of property insurance but permit insurers to deny renewal for nonpayment of an undisputed premium by a policyholder.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Hawaii Insurers Council. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the June 27, 2014, lava flow from the Kilauea volcano has had a significant impact on residents and businesses in the Puna district of Hawaii Island. Part of this impact is due to the imposition of a moratorium on the sale of new insurance policies in certain areas of the Puna district. This moratorium has made it difficult for homeowners wishing to sell their homes to obtain continued insurance coverage and has caused difficulties for interested buyers who wish to purchase insured property. The moratorium has also affected communities in the Puna district not directly threatened by the lava flow. This measure attempts to address these concerns by requiring the renewal of property insurance, with certain exceptions.

However, your Committee has heard testimony that this measure, as written, applies to all property insurers. Your Committee understands that this requirement may discourage certain insurers from writing property insurance or may affect property insurance throughout the State. Amendments to this measure are therefore necessary to address the issues faced by homeowners in areas threatened by a lava flow.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required every insurer who issues a policy for property insurance to provide for the renewal of property insurance, with specific exceptions;
- (2) Inserting a definition of "lava zone";
- (3) Specifying the total number of property insurance policies that an insurer may non-renew in a lava zone during a state of emergency due to lava flow in that lava zone, with specific exceptions;
- (4) Specifying that if residential property insurance is unavailable due to a moratorium on insurance policies in a lava zone during a state of emergency due to lava flow, the Hawaii Property Insurance Association shall remove its moratorium and permitting the association to issue new policies and provide a six-month waiting period for the policy coverage to take effect after the moratorium is removed;

- (5) Inserting a purpose section; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure is the result of an agreement with interested stakeholders. Your Committee also notes that once this measure is enacted, the Hawaii Property Insurance Association will lift the moratorium currently in place for the Puna district on Hawaii Island.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 589, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 589, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Kidani). Noes, none. Excused, 1 (Slom).

SCRep. 457 Commerce and Consumer Protection on S.B. No. 1217

The purpose and intent of this measure is to align state law with the requirements of section 2706 of the federal Public Health Service Act by prohibiting insurers from discriminating against any health care provider who is acting within the scope of that provider's license or certification.

Your Committee received testimony in support of this measure from the Hawaii Society of Naturopathic Physicians; American Chiropractic Association; American Association of Nurse Practitioners; Hui Hun Health, LLC; and nine individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Service Association.

Your Committee finds that section 2706 of the federal Public Health Service Act, as added by section 1201 of the federal Patient Protection and Affordable Care Act of 2010, prohibits insurers from discriminating against any health care provider who is acting within the scope of that provider's license or certification. According to testimony received by your Committee, health plans and insurance companies in Hawaii have limited the types of health care providers permitted to provide services to their members by excluding certain non-medical doctor licensed providers. In particular, naturopathic physicians are often excluded from insurance contracts in Hawaii, which forces patients who choose a naturopathic physician as their primary care provider to pay out of pocket for their primary care needs.

Your Committee concludes that clarity within the State's insurance code is needed to ensure that naturopathic physicians are compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the federal Public Health Service Act.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have prohibited insurers from discriminating against any health care provider acting within the scope of that provider's license or certification, with specific exceptions;
- (2) Clarifying that insurers who provide health care coverage are required to provide coverage for medically necessary health care services covered by a health insurance policy when provided by a licensed naturopathic physician acting within that naturopathic physician's scope of practice;
- (3) Specifying that health care services provided by naturopathic physicians may be subject to certain limitations;
- (4) Specifying that limitations shall not function to direct treatment in a manner that unfairly discriminates against the practice of naturopathic medicine;
- (5) Permitting insurers to require naturopathic physician services to be provided by a naturopathic physician under contract or covered in a manner consistent with out-of-network provider reimbursement practices;
- (6) Updating the purpose section accordingly;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1217, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1217, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 458 Higher Education and the Arts on S.B. No. 326

The purpose and intent of this measure is to fund the Office of Student Equity, Excellence, and Diversity at the University of Hawaii at Manoa to fund faculty, graduate student assistant, and student employee positions to conduct and disseminate research relating to Asian American and Pacific Islander students in higher education, and to provide direct services to undergraduate and graduate students interested in diversity careers in student affairs and higher education.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii at Manoa, Ilocos Surian Association of Hawaii, Filipino American Citizens League, Nursing Advocates & Mentors Inc., National Federation of Filipino American Associations Region 12, and twelve individuals.

Your Committee finds that there is a need for research to address the underrepresentation of Asian Americans and Pacific Islanders in higher education institutions. To address this underrepresentation, sufficient funding is necessary to fund faculty, graduate assistant, and student employee positions to conduct and disseminate research relating to Asian American and Pacific Islander students in higher education, and to provide direct services to undergraduate and graduate students interested in diversity careers relating to student affairs and higher education.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 326 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

SCRep. 459 (Joint) Higher Education and the Arts and Judiciary and Labor on S.B. No. 397

The purpose and intent of this measure is to appropriate funds to the University of Hawaii for positions and materials to comply with Title IX of the Education Amendments of 1972 and the Violence Against Women Reauthorization Act of 2013.

Your Committees received testimony in support of this measure from the University of Hawaii System; Hawaii Women's Coalition; Planned Parenthood of Hawaii; and six individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that ending sexual violence on college campuses will need comprehensive and sustained efforts to provide awareness and prevention education and training to change attitudes and behaviors of students, faculty, and staff. Also required are effective response, intervention, investigation, and access to justice when sexual violence offenses occur. This measure seeks to provide resources to the University of Hawaii to ensure compliance with federal mandates to address sexual violence on campus.

Your Committees further find that more discussion on the allocation of funds is necessary to assure ongoing support is provided to university students and for higher education programs providing sexual violence prevention education.

Your Committees have amended this measure by:

- (1) Deleting the specific dollar amount of the appropriation to the University of Hawaii;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 397, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 397, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 460 (Joint) Public Safety, Intergovernmental and Military Affairs and Education on S.B. No. 181

The purpose and intent of this measure is to authorize the Department of Education to continue, until June 30, 2020, awarding high school diplomas to qualified veterans who did not receive a high school diploma as a result of compulsory induction into active service in the Armed Services of the United States or to any person whose high school education was interrupted due to wartime practices such as internment during World War II.

Your Committees received testimony in support of this measure from the State Office of Veterans Services, Department of Education, Hawaii State Teachers Association, and Veterans Advisory Board.

Your Committees find that individuals often had to defer their educational goals as a result of compulsory induction into active service in the Armed Services of the United States or due to wartime practices such as internment during World War II. Implementation of this measure recognizes veterans for their commendable service and sacrifices to our country.

Your Committees have amended this measure by:

- (1) Inserting a purpose section to clarify that the measure authorizes the Department of Education to also continue awarding high school diplomas to any person whose high school education was interrupted due to wartime practices such as internment during World War II; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 181, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 181, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Education
Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 461 Judiciary and Labor on S.B. No. 1361

The purpose and intent of this measure is to require position ceilings to be included in the executive budget and related documents.

Your Committee received comments on this measure from the Department of Budget and Finance, Department of Education, Department of Human Resources Development, and University of Hawaii System.

Your Committee finds that this measure would require the inclusion of position ceiling information in various budget documents and prohibit the expenditure of funds for filling positions in excess of those ceilings. Your Committee notes testimony expressing concern that this measure may have the unintended effect of limiting a program's ability to apply for and accept federal funding as such funding may require the authorization for funded positions while the Legislature is out of session.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1361, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1361, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 462 Judiciary and Labor on S.B. No. 1324

The purpose and intent of this measure is to provide statutory authority for the Employees' Retirement System to make direct payment of benefits to a former spouse of a member upon the issuance of a court order.

Your Committee received testimony in support of this measure from the Commission on the Status of Women; Kleintop, Luria, and Medeiros; and two individuals. Your Committee received testimony in opposition to this measure from the Employees' Retirement System.

Your Committee finds that direct payments of retirement benefits to a former spouse will provide fairness in the enforcement of the property division in a divorce ordered by a court. Your Committee notes that several other states have already adopted similar laws.

Your Committee has amended this measure by:

- (1) Amending its purpose section;
- (2) Deleting sections 2 through 6;
- (3) Adding a new section to chapter 88, Hawaii Revised Statutes, that, among other things:
 - (A) Specifies the conditions upon which the court may issue an order to award a former spouse a portion of retirement benefits;
 - (B) Includes safeguards for the Employees' Retirement System;
 - (C) Specifies when payments commence and terminate;
 - (D) Stipulates what court orders will not bind the Employees' Retirement System; and
 - (E) Addresses certain scenarios regarding inadvertent payments to a party;
- (4) Allowing the Employees' Retirement System to adopt a schedule of fees and charges;
- (5) Adding a blank appropriation for its implementation;
- (6) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1324, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 463 (Majority) Judiciary and Labor on S.B. No. 1076

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (14) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (14) and its excluded counterparts. Your Committee believes that it is more appropriate for your Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1076, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1076, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 464 Judiciary and Labor on S.B. No. 760

The purpose and intent of this measure is to establish a misdemeanor for knowingly and fraudulently representing oneself as the owner or trainer of a service dog.

Your Committee received testimony in support of this measure from the Community Associations Institute, Associa Hawaii, Hawaii Fi-Do Service Dogs, and four individuals. Your Committee received testimony in opposition to this measure from the Hawaii Civil Rights Commission. Your Committee received comments on this measure from the Department of the Attorney General; Disability and Communication Access Board, Department of Health; Hawaii Disability Rights Center; Pacific Pet Alliance; and one individual.

Your Committee finds that the abuse of privileges and allowances intended only for the benefit of persons with disabilities to use trained service dogs has become apparent and pervasive in many contexts. The result of this situation is that public health may be compromised, and legitimate, trained service dogs may experience unnecessary distraction while persons with disabilities may experience unnecessary inconvenience and distress.

Your Committee notes that this measure is limited to the context of service dogs as defined in section 347-2.5, Hawaii Revised Statutes (HRS), and does not explicitly extend to so-called "emotional support animals" or other assistance animals that may serve lawful purposes in certain contexts, for example under the federal Fair Housing Act. It is not the intention of your Committee that this measure be construed in any way to abridge the rights of any person under any existing federal or state law. However, your Committee further notes that section 11-50-74(o)(1), Hawaii Administrative Rules, does generally prohibit any live animals other than service animals (as similarly defined in section 347-2.5, HRS) in food establishments.

Your Committee acknowledges the concerns raised in written testimony that enforcement of this measure may be difficult. Nonetheless, your Committee notes that a similar statutory prohibition in California was upheld in federal court. Accordingly, similar to the situation in which persons who willfully misuse disability parking privileges are subject to punishment, this measure establishes a statutory means to deter pervasive detrimental misrepresentations.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "owner" to mean any person who owns an alleged service dog or who is authorized by the dog's owner to use the dog;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 760, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 760, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 465 (Majority) Judiciary and Labor on S.B. No. 461

The purpose and intent of this measure is to provide a legislative vehicle to fund pending public sector collective bargaining cost items for salary adjustments, other cost adjustments, and Hawaii employer-union health benefits trust fund costs for public employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (4) are currently in progress. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session. Your Committee believes that it is more appropriate for your Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 461, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 466 (Majority) Judiciary and Labor on S.B. No. 460

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (2) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (2) and its excluded counterparts. Your Committee believes that it is more appropriate for your Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 460, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 460, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 467 (Majority) Judiciary and Labor on S.B. No. 459

The purpose and intent of this measure is to appropriate and authorize funds for the collective bargaining agreement for employees in collective bargaining unit (3) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, Hawaii Health Systems Corporation, and Hawaii Government Employees Association.

Your Committee finds that this measure provides a necessary vehicle for the funding of the collective bargained terms reached with regard to collective bargaining unit (3) and its excluded counterparts. Your Committee believes that it is more appropriate for your Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 459, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 459, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 468 (Majority) Judiciary and Labor on S.B. No. 458

The purpose and intent of this measure is to provide a legislative vehicle to fund pending public sector collective bargaining cost items for salary adjustments, other cost adjustments, and Hawaii employer-union health benefits trust fund costs for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (8) are currently in progress. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session. Your Committee believes that it is more appropriate for your Committee on Ways and Means to determine the amounts of funding to be included in this measure.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 458, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 458, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 469 Judiciary and Labor on S.B. No. 1089

The purpose and intent of this measure is to:

- (1) Amend section 78-25, Hawaii Revised Statutes, to require employees receiving workers' compensation benefits to deduct retirement contributions from benefits received; and
- (2) Provide for actuarially neutral cost for the acquisition by members of the Employees' Retirement System of membership service credit for previous service and for previous military service and to establish deadlines for:
 - (A) New members of the Contributory and Hybrid plans of the Employees' Retirement System to claim membership services credit for previous service and for previous military service; and
 - (B) Members to initiate payment for previous service, previous military service, and unpaid leave.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Employees' Retirement System.

Your Committee finds that this Administration-sponsored measure helps to reduce the Employees' Retirement System's unfunded actuarial accrued liability; however, your Committee expresses concern over the potential negative impact this measure may have on the rehabilitative efforts of the workers' compensation system.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1089, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1089, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 470 Judiciary and Labor on S.B. No. 1088

The purpose and intent of this measure is to change the formula used to credit unused sick leave toward retirement benefits for certain employees.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Employees' Retirement System. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association and Hawaii Fire Fighters Association.

Your Committee finds that this measure addresses a situation where certain employees, upon retirement, receive additional benefits due to the additional service credit without making additional contributions. Your Committee notes the concerns raised in testimony over creating a tiered system of benefits for employees within the Employees' Retirement System. It has been asserted that this measure has the potential of creating a system under which employees holding equivalent positions and performing equivalent duties could nevertheless receive different benefits based solely on their date of hire.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059 to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1088, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 471 Judiciary and Labor on S.B. No. 1087

The purpose and intent of this measure is to:

- (1) Extend the deadline for former employees not eligible for retirement benefits from the Employees' Retirement System to take a refund of their accumulated contributions; and
- (2) Make the calculation of the lump sum death benefit for survivors of former members of the Employees' Retirement System hybrid plan consistent with the lump sum payable to a former hybrid plan member who elects not to take a retirement benefit.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee finds that this measure provides for equity between various classes of persons claiming benefits from the Employees' Retirement System.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1087, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1087, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 472 Judiciary and Labor on S.B. No. 996

The purpose and intent of this measure is to appropriate \$60,000 for each of fiscal years 2015-2016 and 2016-2017 to the State Ethics Commission to design and develop a system that allows filers to electronically file required statements and reports with the Commission.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and one individual.

Your Committee finds that this measure will enable the State Ethics Commission to allow filers to electronically file their required statements and reports by appropriating funds for a new electronic filing system. Your Committee urges the State Ethics Commission to ensure that any new electronic filing system procured by the Commission complies with the federal Americans with Disabilities Act.

Your Committee has amended this measure by:

- (1) Replacing the specified sum of \$60,000 with a blank amount; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 996, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 996, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 473 Judiciary and Labor on S.B. No. 163

The purpose and intent of this measure is to:

- (1) Provide the Chair of the State Public Charter School Commission with a vote for collective bargaining for units (5) and (6); and
- (2) Establish that for collective bargaining for unit (9), there shall be three votes for the Governor, two for the Hawaii Health Systems Corporation Board, and one for each mayor.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation. Your Committee received testimony in opposition to this measure from the Office of Collective Bargaining and Hawaii Government Employees Association. Your Committee received comments on this measure from the Department of Budget and Finance, Department of the Attorney General, and Public Charter School Commission.

Your Committee finds that this measure would allow the public charter schools a vote on collective bargaining matters involving their employees within units (5) and (6). With regard to collective bargaining unit (9), your Committee finds that the Judiciary should have a vote, as employees of the Judiciary are included in that unit.

Your Committee has amended this measure by:

- (1) Providing the public charter schools with a vote on negotiations regarding collective bargaining units (5) and (6) and requiring the representative of the public charter schools to be selected by the Public Charter School Commission;
- (2) Removing the allocation of votes to the mayors for bargaining unit (9) and instead allocating one vote to the Chief Justice; and
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 163, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 163, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 474 Judiciary and Labor on S.B. No. 1219

The purpose and intent of this measure is to allow the Department of Labor and Industrial Relations to establish criteria for independent contractor status.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Maui; Chamber of Commerce Hawaii; Maui Chamber of Commerce; Hawaii Island Chamber of Commerce; Envisions Entertainment & Productions, Inc.; Whalers Realty Management Company Inc.; Star Gaze Hawaii; Feed My Sheep; Wailea Golf LLC; Kika, Inc.; Melanie Turner

Landscape Maintenance LLC; Maui Closet Company; The Wright Company, LLC; National Federation of Independent Businesses; Human Resource Management – Hawaii Chapter; Ulupono Enterprises; and twenty-one individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations, ILWU Local 142, and three individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that this measure allows the Department of Labor and Industrial Relations to establish criteria for an independent contractor. This measure also requires the Department of Labor and Industrial Relations to certify independent contractors.

Your Committee has amended this measure by:

- (1) Deleting its purpose section;
- (2) Deleting the requirement of registering with the Department of Commerce and Consumers Affairs to be assumed an independent contractor;
- (3) Clarifying one of the conditions for presumption of independent contractor status by requiring an individual to have entered into a formalized agreement of limited duration with a customer;
- (4) Incorporating by reference the Internal Revenue Service's three-prong test for non-employment;
- (5) Creating an optional process for application to the Department of Labor and Industrial Relations for certification as an independent contractor;
- (6) Clarifying that the burden is on an independent contractor to prove an employer-employee relationship exists in order to claim unemployment insurance;
- (7) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1219, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1219, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 475 Judiciary and Labor on S.B. No. 1194

The purpose and intent of this measure is to:

- (1) Require all lobbyist disclosure statements to be electronically transmitted to the State Ethics Commission;
- (2) Require the State Ethics Commission to post and make available all lobbyist disclosure statements on the Commission's website;
- (3) Require that the lobbyist disclosure statements on the State Ethics Commission website be text searchable and the information on each statement be available for download in a spreadsheet format; and
- (4) Clarify that lobbyist disclosure statements on the State Ethics Commission website are government records.

Your Committee received testimony in support of this measure from Common Cause Hawaii and one individual. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that this measure facilitates the text search of and access to lobbyist disclosure statements by requiring these statements to be transmitted electronically to the State Ethics Commission and providing a searchable format of these statements.

Your Committee has amended this measure by:

- (1) Reinstating language stating that lobbyist disclosure statements are public, rather than government, records;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1194, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 476 (Majority) Judiciary and Labor on S.B. No. 1122

The purpose and intent of this measure is to increase the amount of guaranteed monthly compensation required for an employee to be exempt from minimum wage, overtime, and record keeping requirements.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Hawaii Food Industry Association.

Your Committee finds that this is a housekeeping measure that corrects the inequity of guaranteed compensation remaining at the same level, while the minimum wage increases as scheduled over the next three years.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1122 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 477 Judiciary and Labor on S.B. No. 1090

The purpose and intent of this measure is to require the State and counties to provide the Employees' Retirement System with payroll and personnel transaction records in a format required by the System and require certain payments from State and county agencies that fail to do so.

Your Committee received testimony in support of this measure from the Employees' Retirement System. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that this measure strengthens the authority of the Employees' Retirement System to obtain accurate payroll and personnel transaction records.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1090, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1090, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 478 (Joint) Tourism and International Affairs and Commerce and Consumer Protection and Judiciary and Labor on S.B. No. 201

The purpose and intent of this measure is to:

- (1) Clarify that a single family dwelling used as a vacation rental is a transient accommodation subject to all applicable laws;
- (2) Require the Department of Taxation to manage a public database of all registered transient accommodation operators and resort time share vacation plan managers;
- (3) Make failure to register as a business furnishing transient accommodations a class C felony, rather than a misdemeanor; and
- (4) Require filers of transient accommodations tax returns to include the amount of transient accommodations tax revenues collected by zip code for each periodic tax return filed and the certificate of registration number on annual tax returns.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; North Shore Neighbors; Maui Hotel & Lodging Association; Hawaii Appleseed Center for Law and Economic Justice; and seven individuals. Your Committees received testimony in opposition to this measure from the Hawaii Tourism Authority; Rental By Owner Awareness Association; and eighteen individuals. Your Committees received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and three individuals.

Your Committees find that although many operators of transient accommodations are in compliance with applicable state and county laws, there are a sizeable number of operators, especially those operating single family homes as vacation rentals, who are not. Failure to comply denies the State and counties of the transient accommodations taxes and general excises taxes they are due, while also burdening residential communities with increased traffic, unknown individuals, and potential nuisances.

Your Committees further find that it is necessary for persons who furnish a single family dwelling as a transient accommodation to fully understand that that they are subject to the transient accommodations tax, general excises tax, registration with the Department of Taxation, and all applicable laws requiring an on-island contact and inclusion of the registration number on any advertising, including on the Internet.

Your Committees have amended this measure by:

- (1) Deleting section 2, which requires the Department of Taxation to create and manage an online database of all registered operators and plan managers and increases the penalty for failure to register a business furnishing a transient accommodation from a misdemeanor to a class C felony;
- (2) Deleting sections 3 and 4, which require filers of transient accommodations tax returns to include the amount of transient accommodations tax revenues collected by zip code for each periodic tax return filed and include the certificate of registration number on annual tax returns; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs, Commerce and Consumer Protection, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 201, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 201, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Slom).

Judiciary and Labor

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 479 (Joint) Tourism and International Affairs and Commerce and Consumer Protection and Judiciary and Labor on S.B. No. 519

The purpose and intent of this measure is to require operators of transient accommodations and plan managers of resort time share vacation plans to indicate compliance with registration requirements in advertisements and to increase penalties for operators and plan managers who fail to comply with the law, with escalating penalties for repeat violators.

Your Committees received testimony in support of this measure from the Kailua Neighborhood Board, Maui Hotel & Lodging Association, Hawaii Appleseed Center for Law and Economic Justice, and three individuals. Your Committees received testimony in opposition to this measure from the Hawaii Tourism Authority and thirteen individuals. Your Committees received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and three individuals.

Your Committees find that many residents of Hawaii believe that home-based vacation rentals should be subject to the same transient accommodations tax levied on hotel rooms and time shares. Although many home-based vacation rentals are subject to the same transient accommodations tax levied on hotel rooms and time shares, many operators of transient accommodations and plan managers of resort time share vacation plans have been circumventing the law, creating an unfair advantage over their law-abiding counterparts. In line with public sentiment on this issue, your Committees find that action is necessary to correct this situation.

Your Committees further find that Act 326, Session Laws of Hawaii 2012, accomplishes many of the goals of this measure, specifically requiring registration numbers on all internet advertisements; however, Act 326 is set to be repealed on December 31, 2015. Your Committees also find that the Department of Taxation enforces civil penalties under the Cash Economy Enforcement Act, and similar civil penalties are suited for operators and plan managers who fail to conspicuously post their transient accommodations certificate of registration.

Accordingly, your Committees have amended this measure by:

- (1) Deleting section 2, which adds single family dwelling to the definition of “transient accommodations”;
- (2) Deleting language that requires operators and plan managers to conspicuously display the registration number and address on all internet advertisements for that transient accommodation;
- (3) Deleting language that establishes criminal penalties and escalating fines for violation of the registration posting requirement for internet advertisements;
- (4) Inserting language that authorizes the Department of Taxation to issue cease and desist citations to an operator or plan manager who fails to conspicuously post the transient accommodations certificate of registration;
- (5) Amending Act 326, Session Laws of Hawaii 2012, to remove the repeal date and thereby make it permanent;
- (6) Amending the purpose statement; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs, Commerce and Consumer Protection, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 519, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 519, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Slom).

Judiciary and Labor

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 480 Tourism and International Affairs on S.B. No. 1306

The purpose and intent of this measure is to permit a taxpayer who provides transient accommodations on real property leased from a related entity to claim a general excise tax deduction from the amount of gross proceeds or gross income received from its sublease of the real property.

Your Committee received testimony in support of this measure from Host Hotels & Resorts, L.P. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that fairness in taxation is key to good tax policy. As raised in testimony, the parties involved in this measure are best suited to work out potential issues with this measure.

Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1306, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 481 (Joint) Water and Land and Agriculture on S.B. No. 511

The purpose and intent of this measure is to provide the Land Use Commission with the authority to amend, modify, or vacate conditions of a boundary amendment and special permit conditions granted pursuant to chapter 205, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Land Use Commission, Office of Planning, and Hawaii Farmers Union. Your Committees received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii.

Your Committees find that the Land Use Commission currently has only the remedy of reversion if there is a violation of a Commission decision and order. Reversion of land back to its original classification is an extreme measure and often not in the best interest of the community. Under a recent Supreme Court decision, even if a developer fails to perform according to conditions imposed and representations made to the Commission in obtaining a district reclassification, reversion may not be immediately available if, by the time the Commission issues an order to show cause, the developer has substantially commenced use of the land in accordance with representations made in seeking the boundary amendment.

Your Committees further find that currently the Land Use Commission must rely on the county planning departments to enforce conditions contained in its orders. This has proven problematic in that counties do not often have the motivation or resources to enforce conditions. Further, many conditions in a Land Use Commission order relate to improvements required by state agencies to affected state facilities, such as highways and schools, which the counties may not have the expertise or knowledge to enforce. The county process does not allow interested parties, either communities who relied upon specific community benefits in supporting a project or state agencies that depend on developer improvements, to contest a failure to enforce a condition. The Commission allows an aggrieved party, including members of the public at large, to bring a request for an order to show cause before the Commission and to have its grievance heard and present evidence to support its claim. This measure would allow the Commission the ability to fairly and beneficially deal with violations as they arise.

Your Committees have amended this measure by:

- (1) Allowing the Land Use Commission to vacate, void, modify, or amend district boundaries without repeating the district boundary amendment procedures;
- (2) Allowing the Land Use Commission to vacate, void, modify, or amend any special permit issued by the Commission without repeating a hearing by a county planning commission; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 511, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 511, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Ihara).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Taniguchi, Wakai).

SCRep. 482 Higher Education and the Arts on S.B. No. 324

The purpose and intent of this measure is to appropriate monies from the general fund to provide a grant for the Honolulu Museum of Art to fund an architecturally significant building project that will include studio classrooms, an art education knowledge center, and expanded parking availability.

Your Committee received testimony in support of this measure from the Honolulu Museum of Art; Hawaii Handweavers' Hui; Outrigger Enterprises Group; and sixty-one individuals. Your Committee received comments on this measure from the State Foundation on Culture and the Arts and three individuals.

Your Committee finds that funds from public sources provide less than five percent of the total budget of the Honolulu Museum of Art. This lack of reliance on public funds is due in part to a number of past successful fund-matching agreements entered into between the Museum and private sources.

Your Committee further finds that the Museum is highly regarded statewide for providing patrons with stimulating and diverse exhibits and experiences. The Museum is also highly regarded for operating programs for community members of all ages that relate to art creation and appreciation, ranging from traditional academic-based classes on art theory to hands-on workshops on artistic methods.

Your Committee further finds that the Honolulu Museum of Art School is currently lacking the space within its structures to adequately meet community demand and participation in the Museum programs and classes. The development of an additional art education facility adjacent to the present Honolulu Museum of Art School, housed in the historic Linekona School building adjacent to Thomas Square, would provide classroom, studio, and gallery space, creation of a knowledge center with an art library and expand partnering opportunities with the community and art educators statewide.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 324 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Kidani). Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 483 Human Services and Housing on S.B. No. 494

The purpose and intent of this measure is to provide primary caregivers with child visitation rights by:

- (1) Authorizing the family court to award reasonable visitation to a primary caregiver under certain circumstances, regardless of whether the child has been formally adopted by the caregiver;
- (2) Establishing the presumption that a parent's decision regarding visitation is in the best interests of the child, which may be rebutted by evidence that denial would cause harm to the child;
- (3) Identifying factors a court may consider in awarding visitation; and
- (4) Granting the court discretion to place reasonable restrictions on visitation.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from Farrell and Associates; Family Law Section of the Hawaii State Bar Association; Kleintop, Luria and Medeiros; and one individual. Your Committee received comments on this measure from the Department of the Attorney General and the Judiciary.

Your Committee finds that hanai relationships in which caregivers who have no biological relationship with a child undertake duties of a parental nature are very common in Hawaii. Hanai relationships have been acknowledged by the Hawaii Supreme Court as a strong custom in the State. Your Committee further finds that children have the right to maintain strong relationships with caregivers with whom they have created a special, parent-like bond.

Your Committee has received testimony expressing concern that the term "primary caregiver" is vague and undefined, and that this measure is unnecessary because current statute provides the family court with the discretion to award visitation to nonparents interested in the welfare of a child unless it is shown that visitation would be detrimental to the best interests of the child. Your Committee also recognizes the concern expressed about the constitutionality of language in this measure and, accordingly, has amended the measure to include language that follows established case law.

Your Committee has amended this measure by:

- (1) Amending the criteria for reasonable visitation to require that denial of reasonable visitation rights would cause significant harm to the child instead of just harm to the child;
- (2) Establishing clear and convincing evidence as the standard of proof required to rebut the presumption that a parent's decision regarding visitation is in the child's best interests; and
- (3) Amending the requirement for rebuttal of the presumption that a parent's decision regarding visitation is in the child's best interest to require proof that denial of reasonable visitation rights would cause significant harm to the child instead of just harm to the child.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 494, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 494, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 484 Human Services and Housing on S.B. No. 492

The purpose and intent of this measure is to provide a means for unaccompanied minors to petition the family court for emancipation.

Your Committee received testimony in support of this measure from Farrell and Associates; Hawaii Youth Services Network; and Kleintop, Luria, and Medeiros. Your Committee received testimony in opposition to this measure from the Department of Human Services. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that while emancipation of a minor should not be used as a method to resolve intrafamilial disputes, unemancipated and independent youth face significant challenges due to a complex legal status that maintains their dependency on adults for privilege and access to resources. Your Committee further finds that emancipation of a minor should be a very case-specific determination that involves the minor, the minor's parents or legal guardians, the courts, and state support services to ensure that the minor is capable of taking on all of the responsibilities of adult living.

Your Committee has amended this measure by:

- (1) Deleting the word “unaccompanied” from the section title so that the new statutory section applies to all youth;
- (2) Making the appointment of a guardian ad litem mandatory instead of discretionary for youth seeking emancipation;
- (3) Inserting a provision that gives the court discretionary authority to order a youth seeking emancipation to receive a mental health evaluation;
- (4) Deleting language that requires the State to pay for client-directed counsel to represent a minor throughout emancipation proceedings;
- (5) Amending the notice requirement to mandate service of the petition and notice of hearing to the minor’s parents or legal guardians and require the court appointed counsel to assist the minor in locating the parents or legal guardians;
- (6) Establishing clear and convincing evidence as the standard of proof required for a court to declare a minor emancipated;
- (7) Inserting a provision that allows the court to declare a minor emancipated if the court finds that a minor’s parents are unable or unwilling to provide basic material support to the minor in the form of food, shelter, clothing, and medical care, or the parents have deserted or abandoned the minor;
- (8) Inserting language to establish that a minor emancipated by court order is considered emancipated for the purposes of making a will and other estate planning documents, including trust documents, durable power of attorney, and an advance health care directive;
- (9) Deleting the provision that obligates parents jointly and severally to support their minor child once the minor has been emancipated by court order;
- (10) Inserting a provision that authorizes the court to require parents or legal guardians to pay for court ordered services for the minor, including service of the petition, the guardian ad litem, counsel, and mental health providers;
- (11) Deleting the definition of “emancipated youth” to prevent confusion;
- (12) Including the term “youth” with the defined term “minor” to clarify that the terms are used interchangeably in the new statutory section; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 492, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 492, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 485 (Joint) Education and Energy and Environment on S.B. No. 258

The purpose and intent of this measure is to:

- (1) Require the Department of Education and Department of Accounting and General Services, in consultation with the Hawaii State Energy Office of the Department of Business, Economic Development, and Tourism and the Hawaii Natural Energy Institute of the University of Hawaii, to conduct a comprehensive study and develop a master strategy for the cooling of all public schools;
- (2) Require the findings of the study to be reported to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (3) Appropriate funds to complete the comprehensive study and develop the master strategy for cooling all public schools; and
- (4) Authorize the issuance of general obligation bonds and appropriate funds for projects that demonstrate efficient methods of cooling classrooms.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, IMUAlliance, and eighty-three individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism and Department of Accounting and General Services.

Your Committees find that students learn best in a comfortable environment. Many of Hawaii’s public schools are not equipped with air conditioning. Some schools experience extreme classroom temperatures on a regular basis. Students and teachers report that the heat is a distraction and an obstacle to learning.

Your Committees further find that the costs of installing, maintaining, and supplying electricity for air conditioning in all public schools are very high. Therefore, planning and creative solutions are necessary to ensure that each facility’s unique circumstances are accommodated. It is important that the comprehensive study considers all factors that contribute to classroom temperatures including but not limited to, landscaping, painting, and architectural features. Various forms of heat abatement should be incorporated into the master strategy for cooling all public school facilities.

Your Committees have amended this measure by:

- (1) Removing all references to the Department of Accounting and General Services;

- (2) Clarifying that the study shall look at applicable electrical and environmental standards governing the use of equipment to facilitate ideal room temperatures and other factors relevant to the Legislature's consideration of the Department of Education's proposals for funding the master strategy for cooling all public school facilities;
- (3) Adding language permitting the comprehensive study to be conducted in coordination with other infrastructure studies to avoid duplication and ensure that plans for cooling are made in conjunction with plans for energy-efficiency projects, deferred maintenance, and facilities upgrades;
- (4) Clarifying that the issuance of general obligation bonds is for the purpose of funding projects that demonstrate efficient methods of cooling classrooms rather than only for air conditioning; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 258, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 258, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Keith-Agaran, Thielen, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 486 (Joint) Education and Agriculture on S.B. No. 1303

The purpose and intent of this measure is to appropriate funds for new positions within the Department of Education, Agribusiness Development Corporation, and College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa.

Your Committees received testimony in support of this measure from the University of Hawaii System, Agribusiness Development Corporation, Hawaii Farm Bureau, and two individuals.

Your Committees find that investment in education and agriculture are essential to meet Hawaii's sustainability and higher education goals. Investment within the Department of Education, College of Tropical Agriculture and Human Resources, and Agribusiness Development Corporation represent an investment in a range of education and outreach programs that may lead to improved and expanded agricultural practices in Hawaii.

Your Committees further find that this measure supplements the efforts of S.B. 376, Regular Session 2015, to establish and implement a farm to school program that supports school gardens, health and nutrition education, agriculture, and the procurement of locally grown foods for school meals and snacks.

As affirmed by the records of votes of the members of your Committees on Education and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1303 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Wakai, Slom).

SCRep. 487 Education on S.B. No. 1196

The purpose and intent of this measure is to appropriate funds for the establishment and maintenance of a bookmobile to serve the rural areas of the island of Hawaii.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that there are rural communities on the island of Hawaii where the availability of educational resources is limited. Bookmobiles serve as a vehicle for outreach services provided by the library beyond the walls of the library. With proper funding for maintenance, staff, and materials, bookmobiles are an effective way to provide library patrons access to resources otherwise denied to them due to their geographic isolation or limited financial means.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1196 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Slom).

SCRep. 488 Education on S.B. No. 844

The purpose and intent of this measure is to establish the Executive Office on Early Learning Pre-kindergarten Program to provide high-quality early childhood education to the children of Hawaii.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Special Education Advisory Council, Hawaii State Teachers Association, Aloha United Way, Hui for Excellence in Education, Community Children's Council of Hawaii, PHOCUSED, Hawaii State AFL-CIO, Hookakoo Corporation, League of Women Voters of Hawaii, Chamber of Commerce Hawaii, Good Beginnings Alliance, Kamehameha Schools, and eight individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Education, Department of Human Services, and two individuals.

Your Committee finds that high-quality early childhood education prepares children for success in school and in life. The high cost of preschool education in Hawaii is a substantial hurdle for many families. A state-funded pre-kindergarten program would provide families better access to early childhood education.

Your Committee further finds that state funded pre-kindergarten programs will provide early interventions that may prevent the need for a child to receive remediation or more expensive and intensive special education or behavioral services in the future. Some studies have shown that investment in early childhood education yields future savings through reduced incarceration rates and reduced demand for welfare assistance and other social services.

Your Committee has amended this measure by:

- (1) Clarifying that the Executive Office on Early Learning Pre-kindergarten Program shall be provided through the Executive Office on Early Learning which may partner with the Department of Education;
- (2) Changing the definition of "underserved children" to children who have no access to, or are not qualified to attend, other early education programs and whose family income is no more than two hundred fifty percent of the federal poverty level;
- (3) Adding language to permit the Department of Education to grant a geographic exception, allowing a child to attend a pre-kindergarten in another service area as the Department of Education deems appropriate; provided that such a request shall be granted if the request is based on the employment location of the parent or guardian of the student;
- (4) Adding an appropriation to the Department of Education to establish the Executive Office on Early Learning Pre-kindergarten Program, and specifying that the appropriation be in addition to any appropriations made in the Appropriations Act of 2015;
- (5) Making the measure effective on July 1, 2015, rather than upon approval; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 844, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 844, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 489 (Joint) Judiciary and Labor and Health on S.B. No. 803

The purpose and intent of this measure is to require the workers' compensation examination pursuant to section 386-80, Hawaii Revised Statutes, to be conducted by an impartial physician in the appropriate specialty area.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, ILWU Local 142, Work Injury Medical Association of Hawaii, and five individuals. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Department of Human Resources; Hawaiian Electric Company, Inc.; and Property Casualty Insurers.

Testimony was received expressing a concern that currently, an examination may be done by a physician that does not have expertise in the area of a worker's injury. Your Committees believe that the Department of Labor and Industrial Relations should implement the program and that the program should require that the examination be done by a physician with special expertise for the injury being examined. Your Committees note that the Department of Labor and Industrial Relations testified that this program has never been implemented due to a lack of funding. Upon questioning, the Department of Labor and Industrial Relations estimated that \$25,000 would be sufficient for it to begin the implementation of impartial examinations pursuant to section 386-80, Hawaii Revised Statutes.

Your Committees have amended this measure by:

- (1) Inserting a blank appropriation;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 803, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 803, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair and Majority Leader on behalf of the Committees.

Judiciary and Labor

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Health

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Riviere, Wakai).

SCRep. 490 (Joint) Energy and Environment and Commerce and Consumer Protection on S.B. No. 1172

The purpose and intent of this measure is to:

- (1) Establish an energy storage tax credit for energy storage properties that primarily supply utility customers with electricity for site-specific needs or serve the entire electric system; provided that the energy storage properties are advanced, grid-interactive systems capable of and actively participating in utility demand response programs, providing ancillary services, and serving as a resource to the electric system;
- (2) Require a taxpayer to obtain certification from the Department of Business, Economic Development, and Tourism to qualify for the energy storage tax credit; and
- (3) Require the Department of Business, Economic Development, and Tourism to conduct a study pertaining to the energy storage tax credit and submit a joint report, in collaboration with the Department of Taxation, to the Legislature.

Your Committees received testimony in support of this measure from the Hawaii Renewable Energy Alliance; Hawaii Solar Energy Association; Ulupono Initiative; Blue Planet Foundation; Environmental Caucus of the Democratic Party of Hawaii; Stem, Inc.; Hawaiian Electric Companies; and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; and Tax Foundation of Hawaii.

Your Committees find that excess energy generated from renewable resources is often wasted and as a result, the State continues to rely upon fossil fuels. Energy storage is a key component of a modern, smart electrical grid and can help to maximize the use of indigenous renewable energy. Implementation of this measure will foster a sustainable local renewable energy industry responsible for creating jobs, catalyzing statewide energy savings, improving our environment, and reducing greenhouse gas emissions.

Your Committees have amended this measure by:

- (1) Amending the deadline by which an energy storage property must be installed and first placed in service for a taxpayer to be eligible for an energy storage tax credit from after December 31, 2015, to anytime in 2015;
- (2) Amending the deadline by which an energy storage property must first be placed in service for a taxpayer to be eligible for a thirty percent tax credit from after December 31, 2015, to anytime in 2015;
- (3) Eliminating the tax credit for battery storage projects providing significant energy storage capacity;
- (4) Eliminating the requirement that a taxpayer provide written evidence that the energy storage project continues to directly support the ability of the electric system to accept and use renewable energy and the requirement that the Department of Business, Economic Development, and Tourism rescind the certification of a taxpayer who fails to provide such written evidence;
- (5) Inserting language to provide electric utilities with flexibility pertaining to the timing and amount of stored energy that is used for demand response, ancillary services, advanced energy storage, and grid supportive functions in order to maintain grid reliability;
- (6) Inserting a defective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1172, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1172, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Ihara).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kahele, Kidani, Nishihara).

SCRep. 491 (Joint) Energy and Environment and Economic Development and Technology on S.B. No. 706

The purpose and intent of this measure is to:

- (1) Authorize the Director of Finance to issue general obligation bonds for the development of an electrolysis process hydrogen production, storage, and dispensing facility; and
- (2) Appropriate funds for the operation of the facility.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Strategic Development Corporation; Hawaii Energy Policy Forum; Hawaii Automobile Dealers Association; and Servco Pacific Inc.

Your Committees find that hydrogen fuel cell vehicles provide zero vehicle emissions and require very little compromise or lifestyle change. Increasing the use of hydrogen fuel for transportation will reduce the State's importation of fossil fuels and generate hydrogen production and distribution job opportunities. Implementation of this measure encourages the renewable production of hydrogen and is a critical step toward achieving a clean energy future.

Your Committees have amended this measure by:

- (1) Changing the expending agency for all monies from the Hawaii Strategic Development Corporation to the High Technology Development Corporation; and
- (2) Replacing the hydrogen investment capital special fund with the high technology special fund throughout the measure.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 706, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 706, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Green).

Economic Development and Technology

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Harimoto).

SCRep. 492 Government Operations on S.B. No. 1228

The purpose and intent of this measure is to provide the State greater flexibility in procurement by establishing a process for special innovative procurement and generating a framework for public-private partnerships in Hawaii.

Your Committee received testimony in support of this measure from the State Procurement Office, American Council of Engineering Companies of Hawaii, Ulupono Initiative, and Community Alliance on Prisons. Your Committee received comments on this measure from the Hawaii Government Employees Association.

Your Committee finds that special innovative procurements, like public-private partnerships, allow the State to procure when unusual or unique circumstances exist that require other than full competition and standard procurement procedures would be contrary to the public interest. Rather than provide an exemption in cases where there are unusual or unique circumstances, this measure provides a framework for an alternative process within the procurement code. Establishing such a process works to avoid costly and embarrassing missteps that can occur with exemptions.

Your Committee further finds that while this measure provides a method of procuring professional services, it is not intended to replace section 103D-304, Hawaii Revised Statutes, the qualification-based selection process established for procurement of professional services.

Your Committee has amended this measure by:

- (1) Adding a new section to chapter 103D, Hawaii Revised Statutes, establishing special innovative procurement, requiring the Procurement Policy Board to adopt rules for its implementation, and providing basic guidelines for procurement plan approval, notice of the invitation for bids, and annual reports;
- (2) Amending section 103D-301, Hawaii Revised Statutes, to include special innovative procurement among other methods of source selection;
- (3) Changing the entity responsible for drafting and reporting rules for public-private partnerships from the State Procurement Office to the Procurement Policy Board;
- (4) Deleting language that specified how small businesses may compete pursuant to rules drafted by the Procurement Policy Board;
- (5) Adding language to appropriate \$65,000 in fiscal years 2015-2016 and 2016-2017 for a temporary position within the Department of Accounting and General Services with duties to include but not be limited to assisting the Procurement Policy Board in the research and development of public-private partnership rules;
- (6) Inserting a savings clause; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1228, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1228, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 493 Government Operations on S.B. No. 1357

The purpose and intent of this measure is to require the procurement officer of every governmental body to attend initial training by the State Procurement Office and regular follow-up training as determined by the State Procurement Office.

Your Committee received testimony in support of this measure from the State Procurement Office, Department of Transportation, Building Industry Association of Hawaii, Ulupono Initiative, and Hawaii Operating Engineers Industry Stabilization Fund.

Your Committee finds that procurement training is essential to ensure that all procuring agencies apply and interpret the procurement code with consistency. Hundreds of personnel conduct or participate in procurements each year. To be effective,

procurement training must be provided to all personnel conducting or participating in procurement, including Deputy Attorneys General who are responsible for providing legal advice on procurement-related issues.

Your Committee further finds that the State Procurement Office's current training database reflects the number of individuals who have attended trainings since 2006 but does not provide information regarding those who are active or who have conducted procurement. To efficiently provide training to the hundreds of individuals involved in the procurement process, a learning management system may be necessary to target particular roles, provide prompt feedback to users, and report attendance, test results, and progress to supervisors and the State Procurement Office. To comply with mandatory training requirements, an additional position within the State Procurement Office is needed to develop and implement a training program.

Your Committee has amended this measure by:

- (1) Changing the timeframe during which initial training is mandated from "within sixty days of being appointed or named to the position of procurement officer of any governmental body" to "prior to authorizing any procurement";
- (2) Deleting language that allows a procurement officer to be granted permission from the State Procurement Office to be excused from follow-up training;
- (3) Inserting language appropriating funds to the State Procurement Office for the purpose of acquiring a learning management system and providing one full-time equivalent position to develop and implement a procurement training program;
- (4) Making the appropriation effective on July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1357, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1357, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 494 (Joint) Government Operations and Judiciary and Labor on S.B. No. 235

The purpose and intent of this measure is to require:

- (1) State agencies to hold public hearings in the county or counties that are primarily impacted by the proposed adoption, amendment, or repeal of any administrative rule; and
- (2) At least one public hearing with thirty days' notice on each island with residents or communities on which the proposed rule will likely have a significant monetary impact.

Your Committees received testimony in support of this measure from the County of Hawaii Department of Environmental Management and County of Hawaii Planning Department. Your Committees received testimony in opposition to this measure from the League of Women Voters of Hawaii. Your Committees received comments on this measure from the Department of Human Services and Office of Information Practices.

Your Committees find that administrative rule changes may have a significant financial impact on residents, and it is important to give residents an opportunity to provide public comment. Public input assists in the vetting process for rules and helps rule makers avoid unintended consequences. Especially when rules stand to impact certain islands more than others, public, in-person hearings are vital to uphold transparency and accountability in the rulemaking process.

Your Committees have amended this measure by:

- (1) Adding language to clarify that if electronic communications are used to supplement an in-person hearing, and the electronic communications between locations are interrupted or terminated, the in-person public hearing may continue and the interruption or failure of electronic communications shall not be a basis for challenging the rulemaking process; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 235, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 235, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations
Ayes, 4. Noes, none. Excused, 1 (Ihara).

Judiciary and Labor
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 495 (Joint/Majority) Government Operations and Judiciary and Labor on S.B. No. 216

The purpose and intent of this measure is to make overtime compensation one and one-half times the laborer's or mechanic's basic hourly rate plus fringe benefits on government public works construction contracts greater than \$2,000; provided that if the Department of Labor and Industrial Relations determines that the prevailing wage is determined by a group represented by collective bargaining, then the overtime compensation and any other premium shall be at the same rates set by the collective bargaining agreement.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations and Hawaii Construction Alliance. Your Committees received comments on this measure from the General Contractors Association of Hawaii.

Your Committees find that unionized contractors currently pay a premium for overtime that is more than one and one-half times the prevailing rate. This measure will level the playing field by requiring the non-union contractors to pay the same higher rates for overtime as union contractors do for public works projects.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 216, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 216, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Majority Leader and Chair on behalf of the Committees.

Government Operations

Ayes, 3. Noes, 1 (Slom). Excused, 1 (Tokuda).

Judiciary and Labor

Ayes, 4. Noes, 2 (Thielen, Slom). Excused, 1 (Gabbard).

SCRep. 496 (Joint) Human Services and Housing and Agriculture on S.B. No. 969

The purpose and intent of this measure is to:

- (1) Allow one or more employee dwellings to be built on an agricultural park lot or non-agricultural park lot that is leased by a long-term lessee with lease terms of at least thirty-five years and a lot size of at least five acres, with restrictions; and
- (2) Appropriate an unspecified amount from the general fund to be expended by the Department of Agriculture to develop farm worker housing.

Your Committees received testimony in support of this measure from the Hawaii Interagency Council on Homelessness; Hawaii Farm Bureau; Hawaii Farmers Union United; 'Ai Pohaku; Hawaii Farmers Union United, Kona Chapter; and twenty-six individuals. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that it is difficult for farmers in Hawaii who operate small farms to make their farms sustainable for a myriad of reasons, including but not limited to disease and pest control, bad weather, available and reliable markets, and the availability of good farm laborers. Farm labor housing, like affordable rental housing, is scarce in Hawaii primarily because of the cost of land and construction. Generally, farmers that have long-term agricultural land leases of privately owned land in Hawaii have provisions in the leases that allow them to build farm labor housing in addition to an owner-occupied residential dwelling. That is not the case for farmers who have long-term leases to farm agricultural and non-agricultural parks because the lease agreements with the Department of Agriculture limit the lessee to one farm or employee dwelling per lot, upon demonstration of need and approval of the Board of Agriculture, which lot must serve as the principal residence of the lessee.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed one or more employee dwellings to be built on an agricultural park lot that is leased by a long-term lessee with lease terms of at least thirty-five years and a lot size of at least five acres, with restrictions;
- (2) Requiring the Department of Agriculture to examine issues related to the implementation of rental housing on non-agricultural park lands;
- (3) Requiring the Department of Agriculture to submit a report of its findings, recommendations, and proposed legislation related to rental housing on non-agricultural park lands;
- (4) Specifying that the appropriation shall be used for rental housing enforcement on non-agricultural park lands;
- (5) Inserting a sunset date of June 29, 2018, for the allowance of rental housing on non-agricultural park lands; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 969, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 969, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4; Ayes with Reservations (Riviere). Noes, none. Excused, 1 (Green).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 497 (Joint) Human Services and Housing and Education on S.B. No. 64

The purpose and intent of this measure is to make appropriations for the preschool open doors program to fund three positions, for continued implementation of the program, and for subsidies for the program.

Your Committees received testimony in support of this measure from the Department of Human Services, Aloha United Way, Seagull Schools, Hawaii Association for the Education of Young Children, Olivet Baptist Preschool, PHOCUSED, State Early Learning Advisory Board, People Attentive to Children, YMCA of Honolulu, Family Programs Hawaii, Good Beginnings Alliance, Waianae Coast Early Childhood Services, and seven individuals.

Your Committees find that the preschool open doors program is Hawaii's school readiness program and serves low to moderate income families whose children will be eligible for kindergarten in the following school year. The program provides critical subsidies for income-eligible families sending their children to a licensed preschool during the year prior to kindergarten entry.

Your Committees further find that the Department of Human Services expanded the preschool open doors program this fiscal year to cover nearly 1,300 of Hawaii's children. Your Committees recognize that funding the program has short-term and long-term benefits for children, individuals, and society as a whole. Your Committees note that the preschool open doors program is different than the Executive Office on Early Learning prekindergarten program that is proposed in S.B. No. 844 (Regular Session of 2015).

Your Committees have amended this measure by inserting an appropriation amount of \$440,000 for three positions and the continued implementation of the preschool open doors program.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 64, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 64, S.D. 2, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Education

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Slom).

SCRep. 498 Human Services and Housing on S.B. No. 906

The purpose and intent of this measure is to:

- (1) Add a definition for "contested case";
- (2) Amend the deadline to intervene in a proceeding to accept a developer's proposal to thirty days after the first public hearing on a developer's proposal;
- (3) Require the Hawaii Community Development Authority (HCDA) to make certain findings on the proposed project and its negative impacts, including a finding that the proposed project addresses concerns expressed by community residents and stakeholders, in order to approve the proposed development; and
- (4) Require developers to abide by all representations and commitments made in the permit application process.

Your Committee received testimony in support of this measure from Kaka'ako United, Hawaii's Thousand Friends, FREE ACCESS COALITION, and twelve individuals. Your Committee received testimony in opposition to this measure from the Howard Hughes Corporation and Land Use Research Foundation of Hawaii. Your Committee received comments on this measure from the Office of Hawaiian Affairs; Executive Director of the Hawaii Community Development Authority; Alexander & Baldwin, Inc.; and one individual.

Your Committee finds that HCDA was established to fulfill unmet community needs, including the lack of suitable affordable housing. Some community members have found it difficult to provide input on modifications and variances for developer projects that will adversely impact Kaka'ako. This measure seeks to provide more openness and transparency in decision-making by HCDA and allows community residents more time in obtaining and processing information to participate in HCDA's decision-making process.

Your Committee has amended this measure by:

- (1) Inserting language to require HCDA to schedule a public information meeting for the presentation of the developer's project proposal and requests for modifications or variances and reasons therefor;
- (2) Deleting the definition for "contested case";
- (3) Adding requirements related to community and public notice procedures, including the convening of pre-application meetings, evidence that the developer has met with affected residents and stakeholders to identify certain concerns and issues, mandatory posting of relevant information on HCDA's website for transparency, and notification to boards of associations of apartment owners and condominium boards within the relevant community development district;
- (4) Amending language that requires HCDA to issue a public notice on its website within five business days after issuance of a certificate of completeness of a developer's application;
- (5) Specifying the contents of a public notice issued by HCDA on the acceptance of a developer's application;
- (6) Specifying that the deadline to intervene in a proceeding to accept a developer's proposal is twenty days after the public informational meeting on a developer's proposal;
- (7) Amending language to require HCDA to make certain findings regarding the proposed project and its impacts in order for HCDA to approve the proposed development; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 906, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 906, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 499 Human Services and Housing on S.B. No. 1201

The purpose and intent of this measure is to establish a tax incentive for landlords who provide rental units for persons earning below eighty percent of the area median income.

Your Committee received testimony in support of this measure from the Hawaii Women's Coalition and four individuals. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and two individuals.

Your Committee finds that Hawaii faces a historical and growing shortage of housing units and rapidly rising rents, presenting a serious problem for a substantial portion of Hawaii residents who live in residential housing. Moreover, rent increases are exacerbated by speculation in the purchase and sale of existing residential housing units by local and foreign real estate and development investors. The housing shortage and speculative nature of the real estate industry present a clear and imminent threat to the public health and welfare of Hawaii's residents, especially the poor, minorities, students, young families, and senior citizens.

Your Committee has amended this measure by:

- (1) Deleting language from section 2, which exempts and excludes from general excise taxation all gross proceeds received by an owner or lessor from the leasing of real property to persons earning below eighty percent of the area median income;
- (2) Inserting language that exempts from general excise taxation gross income received by a qualified owner or lessor who leases a residential dwelling unit to an eligible low-income household earning at or below eighty percent of the area median income;
- (3) Inserting language that requires the Director of Taxation and the Hawaii Public Housing Authority to adopt rules;
- (4) Inserting language that allows the Hawaii Public Housing Authority to approve and certify exemptions;
- (5) Inserting language requiring all claims for exemption to be filed with and certified by the Hawaii Public Housing Authority;
- (6) Inserting language that allows the Hawaii Public Housing Authority to establish, revise, charge, and collect reasonable fees for approving and certifying exemptions; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1201, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 500 Human Services and Housing on S.B. No. 968

The purpose and intent of this measure is to appropriate funds for eleven full-time equivalent permanent positions within the Adult Protective and Community Services Branch of the Department of Human Services.

Your Committee received testimony in support of this measure from the Maui County Office on Aging. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that in 2009, the Adult Protective and Community Services Branch of the Department of Human Services suffered a reduction in staff due to the economic crisis and an expansion of their client population due to a change in statute. Your Committee further finds that the Adult Protective and Community Services Branch requires additional staff to effectively serve and protect Hawaii's vulnerable adults who are in danger of being abused, neglected, or financially exploited.

Your Committee has amended this measure by:

- (1) Inserting language that authorizes the department of human services to extend the federal ceiling and increase the federal funds available for the positions within the Adult Protective and Community Services Branch; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 968, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 968, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 501 Economic Development and Technology on S.B. No. 676

The purpose and intent of this measure is to:

- (1) Increase the maximum amount of capital infrastructure tax credits that may be issued to a qualified infrastructure tenant in any taxable year; and

- (2) Allow any capital infrastructure tax credit in excess of the maximum amount to be applied to subsequent tax years.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii, Pacific Shipyards International/Navatek Ltd., Pacific Shipyards International, Navatek Ltd., and twenty-six individuals. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that Pacific Shipyards International has operated a commercial ship repair facility in Honolulu Harbor since 1920. Your Committee further finds that the Kapalama Container Terminal project is critical to modernizing its commercial harbors and that the completion of this project will ensure the adequate infrastructure of the harbor and the supported economic industries. The most effective means by which to support the tenants displaced by this project is a capital infrastructure credit that would offset costs after a certain amount has been expended for capital infrastructure.

Your Committee has amended this measure by:

- (1) Setting the maximum amount of capital infrastructure tax credits that may be issued to a qualified infrastructure tenant in any taxable year at \$2,500,000;
- (2) Inserting language requiring a qualified infrastructure tenant to expend \$40,000,000 within a taxable year before the release of any capital infrastructure tax credits; and
- (3) Making a technical, nonsubstantive amendment for the purposes of the clarity of consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 676, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 676, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 502 Economic Development and Technology on S.B. No. 887

The purpose and intent of this measure is to:

- (1) Establish the Offshore High Technology Park Review Board within the High Technology Development Corporation; and
- (2) Authorize the issuance of special purpose revenue bonds to develop and implement cable landing sites throughout the State.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Enterprise Honolulu, Hawaii Emergency Management Agency, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the development of an offshore high technology park is needed to promote research, education, and technological innovation. The park is also necessary to strengthen state critical infrastructure and to develop a knowledge-based workforce capable of leading new opportunities in several different sectors of the economy.

Your Committee further finds that the implementation of a trans-Pacific broadband cable provides the necessary broadband connectivity to support an offshore high technology park. The State may facilitate the research and development opportunity for the deployment of a trans-Pacific cable through a partnership with multiple sectors in private industry that have a real interest in demonstrating the commercial applicability of new sensor technology and edge-processing analytics.

Your Committee has amended this measure by:

- (1) Changing references from “an offshore high technology park” to “high technology parks” throughout the measure;
- (2) Establishing an Advisory Board of High Technology Parks Review for each high technology park established pursuant to this measure, in lieu of the Offshore High Technology Park Review Board, and amending the composition and appointment of members of the board;
- (3) Adding language to require the Advisory Board to adopt development rules for each high technology park;
- (4) Deleting the authorization for the issuance of special purpose revenue bonds to develop and implement cable landing sites; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 887, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 887, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 503 (Joint) Economic Development and Technology and Public Safety, Intergovernmental and Military Affairs and Energy and Environment on S.B. No. 892

The purpose and intent of this measure is to make various appropriations for the Hawaii resilience and sustainability strategy.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Labor and Industrial Relations; Enterprise Honolulu; and three individuals. Your Committees received comments on this measure from the High Technology Development Corporation.

Your Committees find that Hawaii needs a new way of thinking about how the State addresses critical infrastructure needs through the development of public-private partnerships that are specifically focused on research and development. It is necessary that the State cultivates an environment for attracting partners with resources, technical expertise, and the willingness to develop an offshore high technology park that integrates state-of-the-art communications platforms, big data analytics, and unmanned aerial vehicles.

Your Committees find that benefits of broadband internet access include the uncomplicated access to all types of information; economic development to accelerate business development and new opportunities for innovation, expansion, and e-commerce; enhancement of existing public safety measures connecting first responders to residents; and the facilitation of state healthcare delivery systems.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology, Public Safety, Intergovernmental and Military Affairs, and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 892, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 892, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology

Ayes, 5. Noes, none. Excused, 2 (Baker, Chun Oakland).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 504 Economic Development and Technology on S.B. No. 1001

The purpose and intent of this measure is to establish and appropriate funds for the manufacturing development program, through which the High Technology Development Corporation shall distribute grants to Hawaii manufacturers for various activities.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; High Technology Development Corporation; Hawaii Food Industry Association; K. Yamada Distributors, Inc.; and one individual.

Your Committee finds that there is a disparity between Oahu and the neighbor islands concerning opportunities that exist for business expansion, energy efficiency training and development, and general maintenance of highly complex manufacturing equipment. The lack of available resources and overuse of obsolete equipment have contributed to significantly barring market competitiveness of Hawaii businesses and foreign investment interest in the State.

Your Committee further finds that it is incumbent on the State to ease the financial burdens facing particular businesses and to ensure the long-term financial and economic sustainability of the State.

Your Committee has amended this measure by:

- (1) Deleting all language referencing the establishment of a grant program and appropriations therefor;
- (2) Establishing the Hawaii manufacturing capital program, which provides loans to Hawaii-based companies that encourage certain manufacturing-related activities, including studying or planning the implementation of a new manufacturing facility;
- (3) Capping each loan that may be received by a company under the program at twenty percent of costs, up to \$100,000 in any given year;
- (4) Establishing the Hawaii manufacturing revolving fund, to be funded by repayments of loans and interest and to be used to administer the Hawaii manufacturing capital program;
- (5) Requiring the High Technology Development Corporation to report to the Legislature businesses receiving loans under the program, types of business sectors provided with loans, the amount of each loan provided, and information relating to the economic and labor impact of the businesses provided with loans;
- (6) Establishing terms and conditions under which loans shall be made under the program; and
- (7) Appropriating funds for the establishment and operation of the program.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1001, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1001, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 505 (Joint/Majority) Economic Development and Technology and Tourism and International Affairs on S.B. No. 1155

The purpose and intent of this measure is to:

- (1) Assign to the Hawaii Tourism Authority the responsibilities for film, television, digital, and new media development;

- (2) Repeal the film industry activities within the Department of Business, Economic Development, and Tourism and make conforming amendments; and
- (3) Appropriate funds from the film, television, digital, and new media development special fund to the Hawaii Tourism Authority for implementation of the film, television, digital, and new media development activities.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Tourism Authority. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance. Your Committees received comments on this measure from the Department of Taxation.

Your Committees find that the film industry in Hawaii currently generates approximately \$220,000,000 per year in direct spending to the state economy, providing \$385,000,000 in economic impact and supporting two thousand film industry-related jobs.

Your Committees further find that the absence of any representative of the Department of Business, Economic Development, and Tourism on the Hawaii Tourism Authority Board of Directors highlights the absence of a meaningful relationship between these two entities. Reservations expressed regarding this measure focused largely on the financial obstacles that would face the film industry should this measure be enacted, as funding for film activities originates from the Department of Business, Economic Development, and Tourism.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1155, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1155, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology

Ayes, 5; Ayes with Reservations (Chun Oakland, Espero). Noes, 2 (Baker, Dela Cruz). Excused, none.

Tourism and International Affairs

Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (English, Tokuda).

SCRep. 506 (Joint) Economic Development and Technology and Commerce and Consumer Protection on S.B. No. 1279

The purpose and intent of this measure is to prohibit noncompete agreements and restrictive covenants that forbid post-employment competition of employees of a technology business.

Your Committees received testimony in support of this measure from the Department of Education; Hawaiian Telcom; Techmana LLC; and four individuals. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii. Your Committees received comments on this measure from the High Technology Development Corporation.

Your Committees find that noncompete clauses are designed to protect employers by prohibiting former employees from freely sharing with competitors the confidential information of a former employer's operations, customer or client lists, business practices, upcoming products, and market plans. Inclusion of these clauses encourages companies to hire more employees because employers are provided protection to hire, contract, and otherwise operate a business without the fear that confidential business information and knowledge will be passed on to a competitor without any limits or consequences. Protecting intellectual property is vital to the continued growth of Hawaii's innovation economy.

Your Committees have amended this measure by:

- (1) Restricting the duration of noncompete agreements and restrictive covenants that forbid post-employment competition of employees of a technology business to no longer than one year;
- (2) Amending the definition of "technology business" to exclude broadcast industry businesses; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1279, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1279, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 507 (Joint) Economic Development and Technology and Energy and Environment on S.B. No. 891

The purpose and intent of this measure is to appropriate funds to the Department of Business, Economic Development, and Tourism to establish seven broadband cable landing sites and for the performance of island-specific environmental impact studies.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Chamber of Commerce Hawaii; High Technology Development Corporation; Pacific-Asia Institute for Resilience and

Sustainability; Enterprise Honolulu; Hawaiian Telcom; and two individuals. Your Committees received comments on this measure from the Natural Energy Laboratory of Hawaii Authority.

Your Committees find that advanced broadband services are essential in creating an infrastructure that can support an innovative economy and a knowledgeable and competitive society in the twenty-first century. Specifically, high-speed broadband services at affordable prices are essential for the advancement of education, health, public safety, research and innovation, civic participation, e-government, economic development and diversification, and public safety and services.

Your Committees further find that supporting and encouraging public-private partnerships are the most effective vehicles for moving forward and completing the Hawaii broadband initiative. The collaborative efforts of the private sector and the State, especially efforts focused on research and development, are also the most effective way to address the infrastructure needs of the State.

Your Committees have amended this measure by:

- (1) Deleting the specific number of cable landing sites to be established;
- (2) Amending the purpose of the appropriation to be for completion of any necessary environmental impact statements, in addition to establishment of the cable landing sites;
- (3) Changing the means of financing of the appropriation from general revenues to general obligation bonds and making the appropriation for only fiscal year 2015-2016;
- (4) Requiring the appropriated funds to be expended by the Department of Business, Economic Development, and Tourism and delegated through the High Technology Development Corporation; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 891, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 891, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology

Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, none.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 508 Economic Development and Technology on S.B. No. 1189

The purpose and intent of this measure is to:

- (1) Repeal particular special and revolving funds that have become dormant or unnecessary; and
- (2) Transfer the unencumbered balances in those funds into the high technology revolving loan fund.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Authority. Your Committee received testimony in opposition to this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Office of the Auditor; Office of Planning; Hawaii Community Development Authority; High Technology Development Corporation; Hawaii Strategic Development Corporation; Natural Energy Laboratory of Hawaii Authority; and Hawaii Automobile Dealer's Association.

Your Committee finds that among the many special and revolving funds currently administered by the Department of Business, Economic Development, and Tourism, three funds have become either dormant or unnecessary. Your Committee further finds that the remaining balances in these funds would be more effectively used if transferred to the high technology special fund.

Your Committee has amended this measure by:

- (1) Amending the list of special or revolving funds to be repealed;
- (2) Amending the fund receiving the remaining unencumbered balance of the repealed funds from the high technology revolving loan fund to the high technology special fund;
- (3) Changing the effective date to June 30, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1189, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1189, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 509 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on S.B. No. 189

The purpose and intent of this measure is to remove marijuana and its intrinsic cannabinoids from schedule I and requires the Department of Public Safety, in consultation with the Department of Health, to issue a recommendation for the rescheduling of marijuana.

Your Committees received testimony in support of this measure from the Department of Health; Alternative Pain Management Pu‘uhonua, LLC; Hawaii Medical Association; Green Futures; The Hawaii Cannabis Ministry; Americans for Safe Access, Big Island Chapter; Drug Policy Action Group; and twenty-four individuals. Your Committees received testimony in opposition to this measure from the Department of Public Safety; Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Maui Police Department; Coalition for a Drug-Free Hawaii; and three individuals.

Your Committees find that the medical use of marijuana has existed in the State since 2000 when Hawaii became the first state to accept the medical use of marijuana by the legislative process. However, despite fourteen years of medical use by thousands of patients in the State, marijuana still remains in schedule I, while coca and poppy, plants that contain substances far more dangerous than any substance found in marijuana, are listed in schedule II.

Your Committees note that the intent of this measure is to reschedule only marijuana and no other drugs or controlled substances.

Your Committees have amended this measure by:

- (1) Deleting findings related to the involvement of the Department of Health in the process of making recommendations to the Legislature on the scheduling of controlled substances;
- (2) Deleting language related to the Department of Health being required to work in consultation with the Department of Public Safety in recommending or rescheduling the schedule of a substance, including the rescheduling of marijuana;
- (3) Inserting language that reschedules marijuana as a schedule II controlled substance;
- (4) Inserting a savings clause;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 189, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 189, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Wakai).

Public Safety, Intergovernmental and Military Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 510 (Joint) Health and Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.B. No. 1302

The purpose and intent of this measure is to:

- (1) Establish a system of medical marijuana dispensaries and production centers;
- (2) Prohibit counties from enacting zoning regulations that discriminate against licensed dispensaries and production centers;
- (3) Rename “medical marijuana registry special fund” to “medical marijuana registry and regulation special fund” and expand expending options;
- (4) Establish protections for an owner or qualified employee of a licensed production center or dispensary;
- (5) Clarify the right of qualifying patients and primary caregivers to transport medical marijuana;
- (6) Appropriate funds in an unspecified amount to hire an unspecified number of positions to carry out the medical marijuana dispensary program; and
- (7) Repeal the requirement that the physician who issues a written certification for a qualifying patient be the patient’s primary care physician.

Your Committees received testimony in support of this measure from Green Futures; Drug Policy Forum of Hawaii; American Civil Liberties Union of Hawaii; The Hawaii Cannabis Ministry; Americans for Safe Access, Big Island Chapter; and twenty-one individuals. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Honolulu Police Department; Hawaii Police Department; Maui Police Department; Hawaii Cannabis Care; Alternative Pain Management Pu‘uhonua, LLC; Coalition for a Drug-Free Hawaii; and five individuals. Your Committees received comments on this measure from the Office of the Auditor, Department of Health, Department of the Attorney General, Hawaii Substance Abuse Coalition, Hawaii Catholic Conference, Hawaii Family Forum, Hawaii Family Advocates, Drug Policy Action Group, and five individuals.

Your Committees find that Hawaii’s medical use of marijuana law was enacted on June 14, 2000, as Act 228, Session Laws of Hawaii 2000, to provide medical relief for seriously ill individuals in the State. While existing law recognizes the beneficial use of marijuana in treating or alleviating pain or other symptoms associated with certain debilitating illnesses, it is silent on how patients can obtain medical marijuana if they or their caregivers are unable to grow their own supply of medical marijuana.

Your Committees further find that many of the State's nearly thirteen thousand qualifying patients lack the ability to grow their own supply of medical marijuana due to a number of factors, including disability and limited space to grow medical marijuana. As a result, a regulated statewide dispensary system for medical marijuana is urgently needed by qualifying patients in the State.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees have heard the testimony of concerned entities and individuals about several key issues and request your Committees on Commerce and Consumer Protection and Ways and Means to consider the following as it relates to this measure and medical marijuana dispensaries in general:

- (1) Consideration of interim rules before the Department of Health establishes rules for the implementation of medical marijuana dispensaries;
- (2) Concern for interstate commerce as it relates to the sales of medical marijuana;
- (3) Bill title issues at it relates to sections 6 and 7 of this measure and whether the contents of these sections can be inserted into another measure;
- (4) Consideration of whether the rules establishing and implementing medical marijuana dispensaries should be codified in the Hawaii Revised Statutes;
- (5) Consideration for how much medical marijuana a qualifying patient can possess and purchase from a dispensary;
- (6) Edibles and other means of consuming medical marijuana; and
- (7) Other legal issues.

As affirmed by the records of votes of the members of your Committees on Health, Public Safety, Intergovernmental and Military Affairs, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1302, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1302, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4; Ayes with Reservations (Baker). Noes, none. Excused, 3 (Gabbard, Wakai, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4; Ayes with Reservations (Baker, Keith-Agaran). Noes, none. Excused, 1 (Slom).

Judiciary and Labor

Ayes, 4; Ayes with Reservations (Keith-Agaran, Shimabukuro). Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 511 Health on S.B. No. 596

The purpose and intent of this measure is to:

- (1) Establish a civil violation for possession by a person eighteen years of age or older of one ounce or less of marijuana that is subject to a fine of not more than \$100, and establish an adjudicatory structure for its enforcement;
- (2) Delete reporting requirements of the Board of Education for students possessing one ounce or less of marijuana;
- (3) Clarify that medical marijuana patients and primary caregivers may assert an affirmative defense to prosecution, criminal or civil, involving possession of one ounce or less of marijuana;
- (4) Exclude possession of one ounce or less of marijuana from the authority of the Hawaii Paroling Authority to require paroled prisoners to undergo and complete substance abuse treatment;
- (5) Exclude possession of more than one ounce of marijuana from the authority of courts to require a defendant to undergo and complete substance abuse treatment for a probation violation;
- (6) Clarify the definition of "detrimental drug" to exclude one ounce or less of marijuana;
- (7) Exclude possession of one ounce or less of marijuana from offenses of promoting a detrimental drug in the second degree and third degree; and
- (8) Clarify that a civil violation for possession of marijuana does not constitute a prior offense for purposes of the conditional discharge law.

Your Committee received testimony in support of this measure from IMUAlliance; Drug Policy Action Group; Green Futures; Progressive Democrats of Hawaii; Alternative Pain Management Pu'uhoehoe, LLC; Drug Policy Forum of Hawaii; Community Alliance on Prisons; NuWayve Unlimited; and sixteen individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety; Department of the Prosecuting Attorney, City and County of Honolulu; Hawaii Police Department; Maui Police Department; Hawaii Catholic Conference; Hawaii Family Forum; Hawaii Family Advocates; and six individuals. Your Committee received comments on this measure from the Judiciary and one individual.

Your Committee finds that the benefits of establishing a civil violation for the possession of small amounts of marijuana outweigh the benefits of the current criminal treatment of this offense. Some states have passed laws decriminalizing marijuana. Typically, decriminalization means no prison time or criminal record for first-time possession of a small amount for personal consumption, and the conduct is treated like a minor traffic violation. According to the National Organization for the Reform of Marijuana Laws, the following jurisdictions have decriminalized possession of a small amount for personal consumption: Alaska, California, Connecticut, District of Columbia, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Nebraska, Nevada, New York, North Carolina, Ohio, Oregon, Rhode Island, and Vermont. Two states, Colorado and Washington, have legalized the recreational use of cannabis following the approval of state referenda in the 2012 elections.

Your Committee notes that the technology related to breathalyzers is rapidly changing and hopes that the Department of Health will begin to review the use of newer breathalyzers by other states.

Your Committee has amended this measure by:

- (1) Inserting language that prohibits a qualifying patient or primary caregiver from asserting the medical use of marijuana as an affirmative defense to any prosecution involving marijuana if the qualifying patient or primary caregiver engages in the use of medical marijuana in or within one thousand feet of the grounds of a school, recreation center, or youth center, unless the medical use occurs within a residence;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 596, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 596, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Wakai).

SCRep. 512 (Joint) Health and Commerce and Consumer Protection on S.B. No. 810

The purpose and intent of this measure is to:

- (1) Require practitioners to register to use the electronic prescription accountability system in order to administer, prescribe, or dispense a controlled substance;
- (2) Require all practitioners prescribing or dispensing a controlled substance in schedules II through IV to use the electronic prescription accountability system beginning January 1, 2016;
- (3) Require, beginning January 1, 2017, all practitioners and practitioner delegates to request patient information from the central repository prior to prescribing or dispensing a controlled substance to a new patient and for any patient that is receiving chronic pain therapy;
- (4) Provide pharmacist delegates and practitioner delegates with access to the electronic prescription accountability system; and
- (5) In certain situations, expand access to investigative information in the electronic prescription accountability system to include law enforcement officers and investigative agents of regulatory agencies and various individuals.

Your Committees received testimony in support of this measure from the Department of Public Safety, Hawaii Substance Abuse Coalition, Hawaii College of Emergency Physicians, Walgreen Co., and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Veterinary Medical Association and eleven individuals. Your Committees received comments on this measure from the Hawaii Medication Association.

Your Committees find that prescription drug monitoring programs have been established in most states to track prescriptions of opioid analgesics, sedatives, and amphetamine-type stimulants. By improving the utilization of prescription drug monitoring programs, health care providers can improve patient safety and quality of care.

Your Committees have amended this measure by:

- (1) Deleting the definition of “practitioner”;
- (2) Clarifying that practitioners administering, prescribing, or dispensing a controlled substance in schedules II through IV shall register with the electronic prescription accountability system with renewal of the controlled substance registration;
- (3) Inserting language to exclude a practitioner or practitioner delegate from the central repository request requirement if the request is for a new patient to whom the practitioner administers, prescribes, or dispenses a supply of seven days or less of a controlled substance in an emergency room or department; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 810, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 810, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection
Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 513 (Joint) Health and Agriculture on S.B. No. 131

The purpose and intent of this measure is to:

- (1) Establish, beginning January 1, 2016, labeling requirements for any food or raw agricultural commodity sold in the State that contains a genetically engineered material or was produced with a genetically engineered material;
- (2) Establish exceptions related to labeling requirements;
- (3) Establish violations related to labeling requirements; and
- (4) Require the Director of Health to adopt rules related to labeling requirements.

Your Committees received testimony in support of this measure from the Hawaii Center for Food Safety; Pacific Agricultural Land Management Systems; Hawaii Sustainable Farms, LLC; Americans for Democratic Action; Babes Against Biotech; and four hundred ninety-four individuals. Your Committees received testimony in opposition to this measure from the Department of Health; Department of Agriculture; University of Hawaii System; Chamber of Commerce Hawaii; Hawaii Crop Improvement Association; Hawaii Food Industry Association; DuPont Pioneer; Western Plant Health Association; Biotechnology Industry Organization; Kamiya Gold, Inc.; Building Industry Association of Hawaii; Hawaii's Agricultural Partnerships; Omao Ranch Lands; Wine Institute; Agrium; Monsanto Hawaii; Hawaii Aquaculture & Aquaponics Association; Maui Chamber of Commerce; Hawaii Farm Bureau; Island Princess; Hawaii Farmers and Ranchers United; and one hundred thirty-eight individuals. Your Committees received comments on this measure from eight individuals.

Your Committees find that there are growing concerns that genetically engineered material is harmful to public health and the environment. Your Committees further find that a large percentage of the population supports the right to know which food products contain genetically engineered material and prefers to make informed decisions when purchasing food.

Your Committees note the concerns relating to the consideration of a food as having been produced with a genetically engineered material if the animal from which the food is derived has been fed genetically engineered material and requests that your Committees on Commerce and Consumer Protection and Ways and Means further examine this issue if they choose to hear this measure.

As affirmed by the records of votes of the members of your Committees on Health and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 131 and recommend that it pass Second Reading and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5; Ayes with Reservations (Wakai). Noes, none. Excused, 2 (Baker, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Wakai). Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 514 (Joint) Health and Commerce and Consumer Protection on S.B. No. 1244

The purpose and intent of this measure is to establish procedures for audits of pharmacies conducted by a health care provider, insurance company, third-party payor, Department of Health, or any entity that represents such companies, groups, or Department.

Your Committees received testimony in support of this measure from the Hawaii Community Pharmacists Association and two individuals. Your Committees received testimony in opposition to this measure from the Hawaii Medical Service Association. Your Committees received comments on this measure from the Board of Pharmacy and Academy of Managed Care Pharmacy.

Your Committees find that there are currently no regulations governing pharmacy audits by pharmacy benefit managers or insurance providers. Implementing regulations will prevent abusive audits aimed at reducing consumer access to pharmacy benefits and protect consumer access and consumer choice.

Your Committees have amended this measure by:

- (1) Specifying that the contents of this measure create a new section in chapter 431R, Hawaii Revised Statutes, rather than chapter 461, Hawaii Revised Statutes;
- (2) Specifying that pharmacy audit procedures established by this measure apply to on-site audits of the records of a pharmacy related to claims submitted under a prescription drug benefit plan;
- (3) Referring to an "audit report" as "audit findings";
- (4) Clarifying that the agency or entity conducting the audit is prohibited from using the accounting practice of extrapolation in calculating recoupments or penalties for audits unless allowed by law;
- (5) Amending language to allow a pharmacy at least fourteen days following the receipt of the preliminary audit findings to produce documentation to address any discrepancy unless a shorter time is required in the case of a governmental audit request;
- (6) Deleting language that specified that a pharmacy audit could not occur during the first seven calendar days of any month;
- (7) Specifying that the period covered by a recoupment of any disputed funds shall not exceed eighteen months;

- (8) Amending language to, upon finding on appeal unfavorable audit findings or unsubstantiated findings, require each agency or entity conducting an audit to reverse or issue a correction of the findings;
- (9) Clarifying that each agency or entity conducting an audit shall provide a copy of the final audit findings to the respective agency that entity represents upon request;
- (10) Excluding from pharmacy audit procedures under this measure investigative audits that involve wilful misconduct or health or safety issues;
- (11) Amending the definition of "agency" to not include the Department of Health and include sickness insurance providers, mutual benefit societies, dental service corporations, and health maintenance organizations; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1244, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1244, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 515 Health on S.B. No. 695

The purpose and intent of this measure is to require the Hawaii Medical Board to convene a working group to discuss nutrition and lifestyle behavior for the prevention and treatment of chronic disease.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Board and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that approximately seventy-five percent of national health expenditures are spent regarding preventable chronic disease. Your Committee finds that the Legislature would benefit from information reported by a working group tasked to consider the effect of nutrition and lifestyle behavior on the prevention and treatment of chronic disease.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 695 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Wakai).

SCRep. 516 (Majority) Health on S.B. No. 1291

The purpose and intent of this measure is to prohibit an employer from disciplining, suspending, discharging, or discriminating against an employee who is a patient qualified to use medical marijuana solely because the employee tested positive for marijuana use in a substance abuse test.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission; Drug Policy Forum of Hawaii; Drug Policy Action Group; Alternative Pain Management Pu'uhonua, LLC; Hawaii Cannabis Care; Green Futures; NuWayve Unlimited; and twenty-three individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu Department of Human Resources, Honolulu Police Department, County of Hawaii Police Department, Chamber of Commerce Hawaii, Society for Human Resource Management Hawaii, Hawaiian Electric Company, and one individual. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, Hawaii Family Forum, Hawaii Catholic Conference, and one individual.

Your Committee finds that some civil protections are necessary to protect registered medical marijuana patients from employment ramifications based solely upon a positive test for marijuana use. Because the State has endorsed marijuana as a legitimate medical treatment, it follows that the State would also provide protection for those who require such treatment, not only from criminal consequences, but from civil consequences as well. This measure does not prohibit an employer from taking disciplinary action against an employee who is a registered medical marijuana patient and whose work suffers, who is intoxicated on the job, or who fails to fulfill employment duties.

Your Committee further finds that there are concerns regarding registered medical marijuana patients who are federal employees or are working on federal contracts with drug-free workplace policies. The obvious conflict between the federal law's strict prohibitions against marijuana and Hawaii's law authorizing the use of medical marijuana, as enhanced by this measure, may leave federal employees who are registered medical marijuana patients in a precarious situation.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1291, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1291, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Baker). Noes, 1 (Slom). Excused, 2 (Gabbard, Wakai).

SCRep. 517 (Joint) Water and Land and Public Safety, Intergovernmental and Military Affairs on S.B. No. 501

The purpose and intent of this measure is to amend the coastal zone management program's objectives and policies to account for projected sea level rise and to exempt a county from establishing a shoreline setback line based on a long-term annual shoreline erosion rate until the time when erosion rate data is available.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Department of Planning and Permitting of the City and County of Honolulu; Environmental Caucus of the Democratic Party of Hawaii; Hawaii's Thousand Friends; Surfrider Foundation Oahu Chapter; Surfrider Foundation; University of Hawai'i at Mānoa; and fifteen individuals. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that as an island state, land use and development in Hawaii are concentrated on our low-lying coastal plains. In many communities, the densest development is right up against the shoreline. This pattern of coastal development is resulting in major impacts to our public beaches and marine resources and increasing community exposure to hazards of beach erosion and coastal flooding. The science is clear that rates of sea-level rise will increase in the coming decades. This will result in increasing severity and frequency of coastal erosion and flooding events. Therefore, moving new development back from the shoreline by requiring increased setbacks and planning for sea-level rise is vital.

According to testimony, the latest published research concludes that projected future heights of sea level for Honolulu will reach a mean of one foot by 2050 and 2.8 feet by 2100, and potentially over 4.5 feet by the end of the century.

Your Committees further find that a minimum 60-foot setback and updated erosion rate based setback policy for new development was successfully adopted by Kauai County in 2014 (County of Kauai Ordinance No. 979). Erosion rate based setbacks are also required by Maui County (shoreline rules for the Maui Planning Commission, §12-203) as well as in state conservation district lands (chapter 13-5, Hawaii Administrative Rules). Minimum shoreline setbacks of 60 feet and erosion rate based setbacks statewide will provide improved buffer space between new development and highly dynamic beach environments, reducing exposure to coastal hazards and improving the State's ability to protect beaches and coastal environments.

Your Committees have amended this measure by:

- (1) Adding a definition for "coastal hazards" to section 205A-1, Hawaii Revised Statutes (HRS), to include tsunamis, hurricanes, wind, storm waves, erosion, impacts related to sea level rise, subsidence, and point and nonpoint source pollution;
- (2) Amending section 205A-2(b)(6)(A), HRS, to use the term "coastal hazards" to cover all coastal hazards and striking references to specific coastal hazards;
- (3) Reverting section 205-2(b)(9)(A), HRS, back to its original language;
- (4) Adding "coral" and "and coastal dunes" to section 205A-(c)(4)(C), HRS, to improve protection of these critical resources;
- (5) Amending section 205A-2(c)(5)(B), HRS, to remove reference to the terms "transportation", "infrastructure", and "residential and commercial development", but including reference to "coastal hazards" to improve climate adaptation and resiliency;
- (6) Amending section 205A-2(c)(6)(A), HRS, to use the term "coastal hazards" to cover all coastal hazards and striking references to specific coastal hazards;
- (7) Amending section 205A-2(c)(6)(B), HRS, by reverting to the original term "control development" and incorporating the term "coastal hazards";
- (8) Deleting the proposed section 205-2(c)(6)(E), HRS;
- (9) Amending paragraph (13) of the definition of "development" in section 205A-22, HRS, by deleting the word "projected" as it relates to sea level rise;
- (10) Amending the definitions of "special management area emergency permit", "special management area minor permit", and "special management area use permit" in section 205A-22, HRS, to change references from "substantial" harm or adverse effect to "significant" harm or adverse effect;
- (11) Amending section 205A-26(2)(D), HRS, at the request of the City and County of Honolulu to provide for "adequate mitigation" rather than "minimize development" for development located in areas subject to coastal hazards;
- (12) Amending section 205A-43(a), HRS, related to shoreline setbacks by re-inserting twenty feet as the absolute minimum shoreline setback;
- (13) Ensuring and clarifying that the Department of Land and Natural Resources prescribe the methods by which the erosion rate date is used and clarifying that the counties may rely on a sixty-foot minimum setback rather than requiring a sixty-foot setback;
- (14) Deleting the proposed section 205A-43(c), HRS, since there is no exemption or waiver provision in the shoreline setback law;
- (15) Amending the definitions of shoreline management minor permit shoreline area use permit to revert to the original language;

- (16) Deleting the amendment to section 205A-2(c)(6)(E), HRS, avoiding grading of and damage to coastal dunes;
- (17) Amending the purpose section to reflect the amended purpose of the measure;
- (18) Changing the effective date from July 1, 2015, to upon approval; and
- (19) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 501, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 501, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 518 (Joint) Water and Land and Public Safety, Intergovernmental and Military Affairs and Agriculture on S.B. No. 1374

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Department of Budget and Finance, in coordination with the Department of Accounting and General Services and Department of Land and Natural Resources, to investigate the possibility of exchanging state land for certain parcels of land currently owned by Dole Food Company, Inc., that are located between central Oahu and the north shore area, and to pay for costs of executing the exchange if appropriate state land is found, taking into consideration the market value of the state lands to be exchanged; and
- (2) Appropriate funds to the Department of Public Safety and the Department of Agriculture to investigate the possibility of a land exchange of certain state lands between the Department of Public Safety and the Department of Agriculture, and how that exchange could be further utilized in acquiring certain parcels of land by Dole Food Company, Inc., and Castle and Cooke, Inc., for agricultural purposes.

Your Committees received testimony in support of this measure from the Department of Agriculture; Office of Planning; Agribusiness Development Corporation; Dole Food Co. Hawaii; Land Use Research Foundation of Hawaii; Chamber of Commerce Hawaii; Hawaii Farm Bureau; Larry Jefts Farms, LLC; Hawaii Cattlemen's Council; Hawaii Aquaculture & Aquaponics Association; Hawaii Agriculture Research Center; and thirteen individuals. Your Committees received testimony in opposition to this measure from the Conservation Council for Hawai'i and eleven individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Department of Land and Natural Resources, Office of Hawaiian Affairs, The Trust for Public Land, Hawaiian Islands Land Trust, and Community Alliance on Prisons.

Your Committees find that agriculture was the economic mainstay of the central Oahu plains not too long ago. This industry, specifically sugar cane and pineapple, had a greater stake in how and where communities grew. However, in 1996, the Waialua Sugar Mill closed, and in 2008, Del Monte fresh produce ended operations. What remains are several thousand acres of agricultural lands that is in diversified agricultural production on short-term leases or left fallow. Dole Food Company, Inc., has listed over fifteen thousand acres of these lands, including lands designated as conservation and watershed lands, for sale on Oahu between the area of central Oahu and the north shore.

Your Committees further find that among the possible methods of acquiring these lands is a land exchange. Over the past few years, the State has made it a priority to shift toward sustainability in agriculture and decreasing our food imports.

Your Committees further find that Hawaii's prison system is overcrowded and outdated, as nearly 1,400 Hawaii prisoners were in mainland facilities as of 2014. The current facilities in Hawaii are deteriorated, over-capacity, and poorly designed. Over the years, the Department of Public Safety has been exploring options to alleviate overcrowding in the State's prisons. Options include replacing the State's largest jail facility, the Oahu Community Correctional Center in Honolulu, or expanding the State's largest prison, the Halawa medium security facility. There is an opportunity, through a land exchange, for the State to relocate the Oahu Community Correctional Center to Halawa in addition to expanding the Halawa medium security facility.

Your Committees have amended this measure by:

- (1) Removing the Department of Budget and Finance and the Department of Accounting and General Services as expending agencies, and placing responsibility to conduct due diligence of the properties upon the Department of Land and Natural Resources for conservation lands and upon the Agribusiness Development Corporation for the agricultural lands;
- (2) Limiting the expenditures from the land conservation fund to \$200,000 for one year for the purpose of investigating the possibility of acquiring certain Dole lands that are in conservation district and suitable for watershed protection and to identify which of the Dole lands are in the conservation district;
- (3) Appropriating general funds for one year in an amount of \$400,000 for the Agribusiness Development Corporation to investigate the possibility of acquiring certain Dole lands that are suitable for diversified agriculture and to identify which of the Dole lands are in the agricultural district;
- (4) Appropriating an unspecified amount of general funds to the Department of Public Safety and Department of Agriculture to investigate a land exchange and deleting the second year of the appropriation;

- (5) Requiring the Department of Land and Natural Resources, Department of Public Safety, Department of Agriculture, and Agribusiness Development Corporation to submit a consolidated report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016 on:
 - (A) The feasibility of a land exchange of parcels of high interest to the State; and
 - (B) Any appropriations, proposed legislation, or administrative action necessary to accomplish the goals of this measure;
- (6) Changing the preamble to reflect the amendments; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land, Public Safety, Intergovernmental and Military Affairs, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1374, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1374, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6; Ayes with Reservations (Riviere). Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

Agriculture

Ayes, 5; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 519 (Joint/Majority) Energy and Environment and Public Safety, Intergovernmental and Military Affairs on S.B. No. 703

The purpose and intent of this measure is to:

- (1) Increase the solid waste management surcharge to \$1.25 per ton of solid waste disposed of in landfills or shipped out-of-state;
- (2) Establish a solid waste management surcharge of 60 cents per ton of solid waste disposed of at waste-to-energy facilities that accept 150,000 tons or more of solid waste annually;
- (3) Establish a surcharge exception for solid waste disposed of within the State at permitted or unpermitted waste-to-energy facilities that accept less than 150,000 tons of solid waste annually;
- (4) Exempt ash disposed of in landfills that originates from a waste-to-energy facility from the solid waste management surcharge; and
- (5) Define “waste-to-energy” facility.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the General Contractors Association of Hawaii. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the solid waste management surcharge, last increased in 1997, is the primary funding mechanism for the Department of Health’s solid waste regulatory program. The surcharge also supports mandated solid waste activities including solid waste planning, waste minimization and diversion, lead-acid battery and tire recycling outreach, environmentally preferable purchasing tracking, and leaf blower enforcement. However, these services have been eliminated due to a decrease in revenue and an increase in program costs. Implementation of this measure will assist with solid waste program costs and allow the return of several mandated but eliminated services.

Your Committees have amended this measure by:

- (1) Changing the solid waste management surcharges to unspecified amounts; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 703, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 703, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Green, Ihara).

Public Safety, Intergovernmental and Military Affairs

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Baker, Keith-Agaran).

SCRep. 520 (Joint) Energy and Environment and Government Operations and Public Safety, Intergovernmental and Military Affairs on S.B. No. 498

The purpose and intent of this measure is to require that beginning July 1, 2015, for all state and county agency contracts that include the disposal of liquid or solid waste, the statement for services performed shall include a receipt that the waste was received and disposed of at a licensed facility before full or partial payment is made.

Your Committees received testimony in support of this measure from the Department of Transportation, Department of Health, Kailua Neighborhood Board, Zero Waste Kauai, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services.

Your Committees find that the illegal disposal of liquid or solid waste is a problem for the State's natural resources and the environment. Implementation of this measure will encourage the proper disposal of liquid or solid waste.

Your Committees have amended this measure by:

- (1) Replacing "licensed waste management facility" and "licensed waste facility" throughout the measure with "permitted waste facility";
- (2) Clarifying that the contract requirement applies to waste that requires disposal in a permitted waste facility;
- (3) Inserting language to require that all contracts between private entities that include the disposal of liquid or solid waste that require disposal in a permitted waste facility include a provision that payment will only be made upon receipt of a statement for services performed that includes proof from a permitted waste facility showing that the waste was properly received and lawfully disposed of in an appropriate, permitted waste facility; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Government Operations, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 498, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 498, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs and Vice President on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Nishihara, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 521 (Joint) Tourism and International Affairs and Public Safety, Intergovernmental and Military Affairs on S.B. No. 1071

The purpose and intent of this measure is to clarify that the police may grant applications to acquire firearms to lawful permanent resident aliens.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Honolulu Police Department, National Rifle Association, Hawaii Rifle Association, and twenty-six individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from one individual.

Your Committees find that in the recent United States District Court decision of *Fotoudis v. City and County of Honolulu et al.* Judge Michael Seabright ruled the denial of a permit application to acquire firearms to a lawful permanent resident alien was in violation of the equal protection clause of the United States Constitution. Therefore, your Committees find it prudent to amend the firearm permit application statute in accordance with the ruling.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1071 and recommend that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 522 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1368

The purpose and intent of this measure is to prohibit the sale of liquor at street closure events, except under certain conditions.

Your Committee received testimony in support of this measure from the Liquor Commission of the City and County of Honolulu and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Bar Owners Association and two individuals. Your Committee received comments on this measure from the Chinatown Business and Community Association and one individual.

Your Committee finds that street closure events, often funded by the sale of liquor, have increased in size and popularity, greatly affecting residents and businesses. While the events bring in more visitors and revenue, there is concern over the disruptions caused by noise and crowd behavior. Implementation of this measure will further public safety and provide a community-friendly solution to the issues associated with street closure events.

Your Committee has amended this measure by:

- (1) Eliminating the prohibition on liquor sales sold pursuant to a special license;
- (2) Eliminating the requirement that vendors use licensed servers;
- (3) Eliminating the requirement that the Liquor Commission monitor an event with a sufficient number of inspectors and only requiring the Liquor Commission to monitor an event; and
- (4) Inserting an effective date of July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1368, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1368, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 523 Water and Land on S.B. No. 877

The purpose and intent of this measure is to:

- (1) Amend the definition of “historic property” for purposes of historic preservation;
- (2) Require the Department of Land and Natural Resources to develop a list of the types of projects that have no potential to affect a historic property and a list of the types of properties likely to be eligible for inclusion in the Hawaii Register of Historic Places; and
- (3) Require the Department of Land and Natural Resources to develop a plan for completing a comprehensive inventory of historic buildings in the State and to report to the Legislature accordingly.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, Historic Hawaii Foundation, and Hawai'i Association of REALTORS. Your Committee received testimony in opposition to this measure from the Society for Hawaiian Archaeology, Building Industry Association of Hawaii, Complete Construction Services, and Office of Hawaiian Affairs. Your Committee received comments on this measure from the Department of Land and Natural Resources and the Chamber of Commerce Hawaii.

Hawaii law provides that any building, structure, object, district, area, or site over fifty years old is considered historic property. Your Committee finds that in certain instances, this law has delayed the granting of permits, which has had a negative impact on development. Application of existing historic preservation law requires review by the State Historic Preservation Division of the Department of Land and Natural Resources prior to the granting of permits for proposed projects on historic properties.

Concerns have been raised especially due to the increasing number of private residences that are or will soon be fifty years old. Beginning around 1950, and particularly after 1960, was a period of growth in construction of housing to accommodate the State's rapidly growing population. Some of these residences are of historic or cultural value, while others are not.

Your Committee has amended this measure by:

- (1) Amending the purpose section to state that the current issues concerning historic properties narrowly focus on the review of privately owned single family residences;
- (2) Changing the definition of “historic property” to add a proviso that privately owned single-family residences fifty years or older shall only be considered historic properties for the purposes of chapter 6E, Hawaii Revised Statutes, if the residence is listed on the Hawaii Register of Historic Places, is nominated for listing on the Hawaii Register of Historic Places, or is located in a historic district;
- (3) Clarifying that properties not included or eligible for inclusion in the Hawaii Register of Historic Places shall not be subject to historic preservation review and that the counties shall not submit projects affecting such properties to the Department of Land and Natural Resources for review;
- (4) Deleting the requirement that the Department of Land and Natural Resources develop a list of types of projects that have no potential to affect a historic property and provide the list to the counties;
- (5) Deleting the requirement that the Department of Land and Natural Resources develop a list of the types of properties likely to be eligible for inclusion in the Hawaii Register of Historic Places and provide the list to the counties;
- (6) Deleting the requirement that the Department of Land and Natural Resources report to the Legislature the plan for completing a comprehensive inventory of historic buildings;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 877, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 877, S.D. 1, and be referred to the Committee on Higher Education and the Arts.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara). Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 524 Commerce and Consumer Protection on S.B. No. 40

The purpose and intent of this measure is to:

- (1) Establish the behavior analyst program within the Department of Commerce and Consumer Affairs; and
- (2) Establish licensing requirements for behavior analysts and assistant behavior analysts.

Your Committee received testimony in support of this measure from the Department of Human Services; State Council on Developmental Disabilities; Community Children's Councils of Hawaii; Hawai'i Association for Behavior Analysis; Autism Speaks; Easter Seals Hawaii; Horizons Academy of Maui, Inc.; Family Voices Hawaii; and seven individuals. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs; Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs; Hawaii Disability Rights Center; and Hawaii Medical Service Association.

Your Committee finds that behavior analysts engaged in the practice of behavior analysis typically treat individuals with autism spectrum disorders. Many consumers of applied behavior analysis are children, and some consumers of applied behavior analysis may be nonverbal. It is therefore appropriate for the practice of behavior analysis to be subject to regulation and control by the State.

Your Committee further finds that there are certain measures currently moving through the legislative process, including Senate Bill No. 791, that provide mandated insurance coverage for the diagnosis and treatment of autism. Should such legislation ultimately be enacted, it is critical that behavior analysts, who engage in the practice of behavior analysis with individuals with autism, be fully licensed. Your Committee notes that the licensure requirements proposed by this measure are needed because federal requirements specify providers of services must be licensed in their profession in order to participate in Medicaid. Furthermore, health insurance plans in Hawaii will not provide reimbursement for services provided by behavior analysts unless those individuals are licensed in the State.

Accordingly, this measure addresses the urgent need for a licensing process for behavior analysts. Your Committee notes that it is imperative that the licensing of behavior analysts begin concurrently with any mandated insurance coverage for the diagnosis and treatment of autism.

Your Committee has amended this measure by:

- (1) Deleting language that would have established licensing requirements for assistant behavior analysts and deleting other language referring to assistant behavior analysts;
- (2) Specifying that notwithstanding any other law, the behavior analyst program is established within the Department of Commerce and Consumer Affairs;
- (3) Enabling the Department of Commerce and Consumer Affairs to employ necessary personnel without regard to chapter 76, Hawaii Revised Statutes, to assist with the implementation and functions of the behavior analyst program;
- (4) Specifying that beginning on January 1, 2016, persons must have a license to practice behavior analysis in Hawaii;
- (5) Clarifying that the fine for violating the licensure requirements for behavior analysts and the practice of behavior analysis shall be \$1,000 for each separate offense;
- (6) Clarifying that the Director of Commerce and Consumer Affairs has the power to discipline a behavior analyst, including for violations of the Behavior Analyst Certification Board's ethical guidelines for responsible conduct;
- (7) Requiring each behavior analyst to pay a surcharge in addition to license or renewal fees, to be maintained in a separate account within the compliance resolution fund and noting that the surcharges shall be transferred to the compliance resolution fund until sums transferred equal the sums appropriated by this measure;
- (8) Clarifying the persons exempted from the behavior analyst licensure requirements established by this measure;
- (9) Specifying that behavior analyst licenses shall be valid for two years;
- (10) Clarifying the grounds for refusal to renew, reinstate, or restore a license and for denial, revocation, suspension, or condition of a license;
- (11) Specifying that the fine for violating certain acts or conditions on the part of a licensee or licensee applicant shall be not more than \$1,000 per violation;
- (12) Inserting an unspecified repeal date for the behavior analyst program under section 26H-4, Hawaii Revised Statutes;
- (13) Appropriating an unspecified sum out of the compliance resolution fund to implement the behavior analyst program;
- (14) Updating the purpose section accordingly;
- (15) Inserting an effective date of July 1, 2015; and
- (16) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 40, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 40, S.D. 2, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 525 Human Services and Housing on Gov. Msg. Nos. 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, and 535

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

- G.M. No. 525 JOHN WHALEN, for a term to expire 6-30-2019;
- G.M. No. 526 TOM MCLAUGHLIN, for a term to expire 6-30-2018;
- G.M. No. 527 AMY S. LUERSEN, for a term to expire 6-30-2019;
- G.M. No. 528 DONNA CAMVEL, for a term to expire 6-30-2017;
- G.M. No. 529 BRETT N. PREJEAN, for a term to expire 6-30-2018;
- G.M. No. 530 MICHAEL J. GOLOJUCH, SR., for a term to expire 6-30-2018;
- G.M. No. 531 SHIRLEY S. SWINNEY, for a term to expire 6-30-2018;
- G.M. No. 532 DEAN K. CAPELOUTO, for a term to expire 6-30-2017;
- G.M. No. 533 JASON T. OKUHAMA, for a term to expire 6-30-2017;
- G.M. No. 534 WILLIAM OH, for a term to expire 6-30-2019; and
- G.M. No. 535 STEVEN J. SCOTT, for a term to expire 6-30-2017

Your Committee has reviewed the personal histories and statements submitted by the nominees and finds John Whalen; Tom McLaughlin; Amy S. Luersen; Donna Camvel; Brett N. Prejean; Michael J. Golojuch, Sr.; Shirley S. Swinney; Dean K. Capelouto; Jason T. Okuhama; William Oh; and Steven J. Scott to possess the requisite qualifications to be nominated to the Hawaii Community Development Authority (HCDA).

JOHN WHALEN

Your Committee received testimony in support of John Whalen from Kaka'ako United, Civilian Personnel Advisory Center, Wallace Theaters Management Corporation, and six individuals.

Mr. Whalen is an urban and regional planner whose professional career spans more than four decades and includes substantial administrative roles in government and private practice. Prior to forming his consulting firm, he served as Director of Land Utilization for the City and County of Honolulu. One of Mr. Whalen's higher profile public projects was the revision of the Kaka'ako Mauka Area Plan for HCDA in 2006. He holds a Master of Arts in Public Law and Government and Master of Science in Urban Planning from Columbia University and a Bachelor of Arts in Political Science and Pre-Architecture from Rutgers University.

Mr. Whalen indicated in his personal statement that he hopes to bring his years of experience in community planning to HCDA to help guide the future of Kaka'ako.

Your Committee finds that Mr. Whalen's past experiences with community planning, as well as his continuing commitment to issues relating to urban planning and community needs, will be great assets to HCDA.

TOM MCLAUGHLIN

Your Committee received testimony in support of Tom McLaughlin from Hokua and eight individuals.

Mr. McLaughlin is currently transitioning from private sector consulting work to greater community involvement and mentoring and advisory assistance to emerging Hawaii-based companies. Previously, he served as Director of Business Development for Kualoa Ranch and Senior Partner for Ventures, LLC. Mr. McLaughlin earned degrees in General Business Studies at Chaminade University and Business Administration Studies at the University of Hawaii.

Mr. McLaughlin indicated in his personal statement that he believes that what is done in Kaka'ako now will have profound impact on people living in the urban core of Honolulu for the next fifty to one hundred years. Furthermore, he believes that the decisions of HCDA need to be explained better to the public, even if it means having some uncomfortable discussions.

Your Committee finds that Mr. McLaughlin's past experiences with business development, as well as his continuing commitment to issues relating to community involvement and transparency, will be great assets to HCDA.

AMY S. LUERSEN

Your Committee received testimony in support of Amy S. Luersen from the Hawaii Community Development Authority, Ko'olaupoko Hawaiian Civic Club, and five individuals.

Ms. Luersen is currently the Director of Philanthropic Services at the Hawaii Community Foundation. There, she leads a team responsible for providing efficient and effective client services for donors, private foundation grants management services, and scholarships and funds. In the past, Ms. Luersen was a community planning consultant, providing services for various community

development organizations. She holds a Masters of Regional Planning from Cornell University and a Bachelor of Arts in Sociology and Urban Studies from Denison University.

Ms. Luersen indicated in her personal statement that she supports the development of a Heeiea district master plan that is developed with broad community and support. She also indicated that she feels she can serve as a liaison between the community and planning for this critical ahupua'a.

Your Committee finds that Ms. Luersen's past experiences with city and regional planning, as well as her continuing commitment to the mission of the Heeiea district to facilitate culturally appropriate agriculture, education, and natural resource restoration and management of the Heeiea wetlands, will be great assets to HCDA.

DONNA CAMVEL

Your Committee received testimony in support of Donna Camvel from the Ko'olaupoko Hawaiian Civic Club.

Ms. Camvel is currently a doctoral candidate in the Political Science Department at the University of Hawaii at Manoa, specializing in Indigenous Politics. Ms. Camvel has experience in community organizing and event planning for He'e'ia Historical Society. She has also traveled for the past eight years to the United Nations Permanent Forum on Indigenous Issues in New York as a student representative for the University of Hawaii to talk about Native Hawaiian and indigenous issues. She received a Master's degree in Hawaiian Studies and Bachelor of Arts degrees in Women's Studies and Hawaiian Studies from the University of Hawaii.

Ms. Camvel indicated in her personal statement that she can provide HCDA with valuable cultural expertise and community knowledge of the He'e'ia ahupua'a.

Your Committee finds that Ms. Camvel's past experiences with indigenous issues, as well as her continuing commitment to natural resource management, will be great assets to HCDA.

BRETT N. PREJEAN

Your Committee received testimony in support of Brett N. Prejean from Honua Consulting, Ko'olaupoko Hawaiian Civic Club, Salem Media of Hawaii, and one individual.

Mr. Prejean currently owns and operates Hawaiian Ocean Adventures, LLC, an authentic Hawaiian sailing canoe tour business at the Disney Aulani Resort. He has also recently opened a second business location at Heeiea State Park in partnership with Kama'aina Kids. As a means of perpetuating the Hawaiian culture, Mr. Prejean began learning the art of canoe building from master canoe builder Kirk Clarke over twenty years ago. He currently holds a United States Coast Guard license and has logged over 26,000 blue water sailing miles.

Your Committee finds that Mr. Prejean's past experiences within the sport of canoe sailing, as well as his continuing commitment to preserving the Hawaiian culture, will be great assets to HCDA.

MICHAEL J. GOLOJUCH, SR.

Your Committee received testimony in support of Michael J. Golojuch, Sr., from thirty-four individuals.

Mr. Golojuch recently served as Administrative Services Officer for the Department of Budget and Fiscal Services at the City and County of Honolulu. There, he managed all human resource management actions for the Department, including training, performance evaluations, labor relations, and employee assistance. Mr. Golojuch was previously the Labor Relations Officer for the Department of Facility Maintenance at the City and County of Honolulu and is currently an adjunct faculty for the University of Phoenix, teaching undergraduate and graduate courses in business and management at the Hawaii campus and online. He holds a Master's degree in Public Administration from the University of Hawaii, Master of Science in Business Administration from the University of Northern Colorado, and a Bachelor of Arts in Business Management from San Diego State University.

Mr. Golojuch indicated in his personal statement that his background in the military, experience with the State and City and County of Honolulu, and awareness of community needs will be valuable as HCDA looks to the overall development of the Kalaeloa lands.

Your Committee finds that Mr. Golojuch's past experiences in the public sector, as well as his continuing commitment to understanding the myriad needs and considerations in the development process, will be great assets to HCDA.

SHIRLEY S. SWINNEY

Your Committee received testimony in support of Shirley S. Swinney from the Department of Hawaiian Home Lands; Hawaii Community Development Authority; PBR Hawaii & Associates, Inc.; Resort Holdings, LLC; and seven individuals.

Ms. Swinney is currently the President and founder of Kapolei Community Development Corporation, which plans, designs, and implements initiatives by and for the Kapolei homestead beneficiaries. Previously, she was a Circuit Court Clerk II at the Hawaii State Judiciary, coordinating facilities and personnel for court proceedings among other duties. Ms. Swinney is also highly involved in several organizations throughout the community, such as the Malama Learning Center, Special Olympics Hawaii, and Ho'opili Task Force. She holds an Associate of Arts Degree from Leeward Community College and a Business Certificate from Honolulu Business College.

Ms. Swinney indicated in her personal statement that she recognizes how the community is vital in developing Kalaeloa's cultural, economic, and social resources for a sustainable future.

Your Committee finds that Ms. Swinney's past experiences with homestead initiatives, as well as her continuing commitment to the community of Kalaeloa, will be great assets to HCDA.

DEAN K. CAPELOUTO

Your Committee received testimony in support of Dean K. Capelouto from Kanehili Cultural Hui and three individuals.

Mr. Capelouto is currently the General Manager, Information Technology Manager, and Operations Manager for Oahu Express, Ltd., where his responsibilities range from managing day to day scheduling operations to ensuring conformity to federal and state regulations and requirements. He is also a member of the Kapolei-Makakilo Neighborhood Board and serves as Chair of Transportation of the Board. He holds a Master's degree in Information Systems from the University of Phoenix and a Bachelor's degree in Business Administration from Wayland Baptist University.

Mr. Capelouto indicated in his personal statement that he wants to find ways to develop the area of Kalaeloa in a way that leverages public and private partnerships for the benefit of all, while being respectful of the need to preserve cultural, historic, and open spaces for future generations.

Your Committee finds that Mr. Capelouto's past managerial experience in information technology and operations, as well as his continuing commitment to transparency and open communication to foster community involvement, will be great assets to HCDA.

JASON T. OKUHAMA

Your Committee received testimony in support of Jason T. Okuhama from the Hawaii Alliance for Community-Based Economic Development; Marcus & Associates, Inc.; Kaka'ako United; Yamamoto Caliboso, LLC; AOA Century Square; and six individuals.

Mr. Okuhama is currently Managing Partner for Hawaii Lending Specialists, LLC, which provides services for loan origination, sales, marketing, and underwriting. He is also involved in many community organizations, serving as Board President for One Waterfront Towers, Board Treasurer for Century Square AOA, and Board President for Hawaii Alliance for Community-Based Economic Development.

Mr. Okuhama indicated in his personal statement that he has always felt it was his civic duty to participate in and support his community, especially by utilizing his experience in the banking and lending industry.

Your Committee finds that Mr. Okuhama's past experiences with the banking and lending industry, as well as his continuing commitment to issues relating to the housing needs of middle, moderate, and lower income individuals, will be great assets to HCDA.

WILLIAM OH

Your Committee received testimony in support of William Oh from CBRE, Inc.; Hawaii Kyocharo Publishing; D&D Communications; and nine individuals.

Mr. Oh is an accomplished professional with proven experience in strategic planning, mergers and acquisitions, real estate and corporate valuation, and consumer finance and lending. He is the founder of Standard Financial, Inc., where he secured an exclusive leading partnership with Hana Financial, Inc., to commence small business administration lending operations as a non-bank lender for the small business community in Hawaii. He was also a Project Manager at SK Corporation, Inc., in Seoul, Korea.

Mr. Oh indicated in his personal statement that he believes that gentrification can be done in the State that assimilates with local residents and creates opportunities for more affordable housing.

Your Committee finds that Mr. Oh's past experiences with real estate finance and mortgages, as well as his continuing commitment to address affordable housing for local residents of Hawaii, will be great assets to HCDA.

STEVEN J. SCOTT

Your Committee received testimony in support of Steven J. Scott from Honolulu Emergency Services Department, City and County of Honolulu; U. Okada & Co., Ltd.; Kaka'ako United; Hawaii Receivables Management, LLC; and eight individuals.

Mr. Scott is owner, President, and Chief Executive Officer for Scott Shoe Co., Ltd., a family-owned business in central Kaka'ako since 1955. He has also served in community organizations, such as the Kaka'ako Business and Landowners Association and the Kaka'ako Improvement Association. Mr. Scott has first-hand knowledge on the plans, infrastructure, and small business needs of the community.

Your Committee finds that Mr. Scott's past experiences in the small business community of Kaka'ako, as well as his continuing commitment to developing a thriving small business community, will be great assets to HCDA.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Riviere).

SCRep. 526 Commerce and Consumer Protection on Gov. Msg. No. 524

Recommending that the Senate advise and consent to the nomination of the following:

CHAIRPERSON OF THE PUBLIC UTILITIES COMMISSION

G.M. No. 524 RANDALL IWASE, for a term to expire 6-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Randall Iwase to possess the requisite qualifications to be nominated to the Public Utilities Commission.

Your Committee received testimony in support of the nomination of Randall Iwase from the Office of the Governor; Department of Budget and Finance; Department of Transportation; Ironworkers Stabilization Fund; International Longshore and Warehouse Union,

Local 142; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Ulupono Initiative; Blue Planet Foundation; Young Brothers, Limited; Capitol Consultants of Hawaii, LLP; and seventeen individuals.

Upon review of the testimony, your Committee finds that Mr. Iwase's background, experience, and commitment to public service qualify him for appointment as the Chairperson of the Public Utilities Commission. Your Committee notes that Mr. Iwase has extensive experience in the public sector. Mr. Iwase began his career in the Department of the Attorney General where his division provided legal counsel to various state agencies, including the Public Utilities Commission. Mr. Iwase served three years on the Honolulu City Council, where he served as Chair of the Budget and Finance Committee, and later served ten years in the Hawaii State Senate. While in the Senate, Mr. Iwase was the Chair of the Senate Committee on Planning, Land, and Water Use Management and a Majority Whip. More recently, Mr. Iwase served as the Chair of the Hawaii Labor and Industrial Relations Appeals Board from 2000 through 2006 and Chair of the Hawaii State Tax Review Commission from 2011 through 2012.

Your Committee further finds that Mr. Iwase recognizes and supports the State's energy policies and goals and acknowledges the regulatory responsibilities that the Public Utilities Commission must fulfill in support of those goals. Through his years of public service, Mr. Iwase has gained a thorough understanding of public policy and acknowledges the historical importance of the decisions that the Public Utilities Commission must make in upcoming years. This insight will be critical in light of the major dockets currently before the Public Utilities Commission, including the merger application recently filed by Hawaiian Electric Industries, Inc., and NextEra Energy, Inc.

Your Committee notes that Mr. Iwase's varied legal and political experience will be an invaluable complement to the policy and technical expertise of the other Public Utilities Commissioners and therefore recommends that Mr. Iwase be appointed as Chairperson of the Public Utilities Commission based on his knowledge, background, and dedication to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 527 Public Safety, Intergovernmental and Military Affairs on S.B. No. 564

The purpose and intent of this measure is to extend the sunset date of Act 24, Special Session Laws of Hawaii 2009, as amended, to allow the Reentry Commission to continue its work.

Your Committee received testimony in support of this measure from the Department of Public Safety, Community Alliance on Prisons, and three individuals.

Your Committee finds that Act 24, Special Session Laws of Hawaii 2009, as amended (Act 24), established the Reentry Commission to work with the Department of Public Safety in monitoring and reviewing the comprehensive offender reentry program, including facility educational and treatment programs, rehabilitative services, work furloughs, and the Hawaii Paroling Authority's oversight of parolees. However, Act 24 sunsets on December 1, 2015. Extending the sunset date is critical to continuing the valuable work of the Reentry Commission in ensuring the successful transition of offenders into the community.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 564, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 564, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 528 Ways and Means on Gov. Msg. No. 519

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

G.M. No. 519 WESLEY MACHIDA, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement and resume submitted by Wesley Machida and had the opportunity to discuss with Mr. Machida his professional and educational background and goals for leading the Department of Budget and Finance.

Your Committee received testimony in support of the nomination of Mr. Machida as the Director of Finance from representatives of the Office of the Governor, the Department of Budget and Finance, the University of Hawaii, the Department of Transportation, the Employees' Retirement System, the Hawaii State Public Library System, Capitol Consultants of Hawaii LLP, Accuity LLP, and nine individuals.

Wesley Machida is a familiar and trusted face before your Committee as a result of his longstanding service with the Employees' Retirement System (ERS). He most recently served as the Executive Director of the ERS from 2010 to 2014, a period which encompassed the Great Recession and many governmental accounting rule changes.

As a result of Mr. Machida's leadership and expertise, our State has been able to take on meaningful reforms of the ERS and address the unfunded pension liability of our public employees. He deserves much credit for the difficult, but wise, policy decisions

that were made by the Legislature and Administration to restrain pension cost and liability, especially as we look to make continued commitments and budget for annual required contributions.

Mr. Machida also has had over thirty years of financial experience as a certified public accountant. He has served as the ERS Associate Administrator and in various auditor positions in both the public and private sectors. His thoughtful approach to challenging situations and his depth of understanding and knowledge of the issues at hand gained him the confidence and trust of his colleagues and the public employees that have been the ERS's beneficiaries. It is evident in speaking to Mr. Machida that he values these relationships and the importance of public service, and will approach his new position with the same humility, perseverance, and respect that he has in his previous roles.

While revenue collections have been improving, our State government is facing many budgetary challenges in the near term. We have significant obligations and commitments, as Mr. Machida is all too well aware from his previous role at the ERS, and he has made it clear in his presentations of the Administration's financial plan that the State must be prudent in its expenditures in order to preserve adequate ending balances and reserves.

Your Committee finds that Wesley Machida is well qualified and committed to working with the Governor and the Legislature to maintain the fiscal and budgetary health of the State while providing services necessary for the public health, safety, and general welfare and investing in programs and projects for the benefit of citizens in the future. Your Committee is confident that Mr. Machida will provide sound and objective advice to the Governor and Legislature. Consequently, your Committee supports his confirmation as the Director of Finance.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 529 Ways and Means on Gov. Msg. No. 520

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

G.M. No. 520 RODERICK BECKER, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement and resume submitted by Roderick Becker and had the opportunity to discuss with Mr. Becker his professional and educational background and goals for helping lead the Department of Budget and Finance.

Your Committee received testimony in support of the nomination of Mr. Becker as the Deputy Director of Finance from representatives of the Office of the Governor, Department of Budget and Finance, University of Hawaii, Department of Transportation, Department of Land and Natural Resources, Department of Health, the Hawaii State Public Library System, the Honolulu City Council, and seventeen individuals.

It is to be noted that your Committee takes special pride in supporting the nomination of Roderick Becker. He served as this Committee's Budget Chief from 2008-2014, and as a budget analyst for many years before that. He was a professional and diligent worker, objective in his recommendations to past Chairs of your Committee, and extremely knowledgeable about State budget and revenue issues. Mr. Becker was an asset who assisted the Legislature greatly in crafting budgets that helped us through the Great Recession, and these skills and experiences will be invaluable as we face the fiscal challenges and opportunities that lie ahead.

Your Committee is confident that Mr. Becker will serve the Governor and Director of Finance as well as he previously served the Senate and your Committee. Your Committee also is confident that Mr. Becker will provide sound and objective advice to the Legislature. Consequently, your Committee supports his confirmation as the Deputy Director of Finance.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 530 Ways and Means on Gov. Msg. No. 521

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF TAXATION

G.M. No. 521 MARIA ZIELINSKI, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement and resume submitted by Maria Zielinski and had the opportunity to discuss with Ms. Zielinski her professional and educational background and plans for leading the Department of Taxation.

Your Committee received testimony in support of the nomination of Ms. Zielinski as the Director of Taxation from representatives of the Office of the Governor, the University of Hawaii, the Department of Transportation, the Campaign Spending Commission, Capitol Consultants of Hawaii LLP, Accuity LLP, and twelve individuals.

Maria Zielinski is a certified public accountant with over twenty-five years of experience in senior financial management positions in the public, private, and non-profit sectors. Most recently, Ms. Zielinski served as the Deputy Comptroller for the State and the Accounting Systems Administrator for the County of Maui. During her tenure in those positions, she led the effort to produce those

jurisdictions' comprehensive annual financial reports (CAFR) in a timely manner, which was critical for both the State and the County's credit rating. As a result of her leadership, the State's CAFR and Schedule of Expenditures of Financial Awards (SEFA) were completed on time for the first time in over ten years. Similarly in Maui, Ms. Zielinski was able to complete the county's CAFR and SEFA on time, an accomplishment that had not been achieved in over thirty years and resulted in annual Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting Awards.

Before her governmental service, Ms. Zielinski was a financial officer for the California School Employees Association, Haleakala Ranch Company Inc., and Baldwin Pacific Corporation/Haleakala Dairy.

The Department of Taxation is facing many challenges, particularly in the implementation of the tax system modernization project, imposition of state taxes on on-line travel companies, and improvement of the tax compliance, collection, and customer service operations.

In discussions with Ms. Zielinski, it is clear that she is committed to implementing the tax modernization system with fidelity, while also working with the individuals in her department to develop a culture and practice that is responsive to the needs of the various constituencies with which they work.

Your Committee finds that Maria Zielinski is qualified and able to lead the Department to effectively and efficiently perform its duties. Consequently, your Committee supports her confirmation as the Director of Taxation.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 531 Ways and Means on S.B. No. 92

The purpose and intent of this measure is to amend the law regarding taxation.

Your Committee has amended this measure by inserting language that:

- (1) Requires the Department of Taxation to publish reports on certain general excise tax exemptions; and
- (2) Repeals specific annual reporting deadlines.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 92, as amended herein, and recommends that it be recommitted to the Committee on Ways and Means, in the form attached hereto as S.B. No. 92, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Slom).

SCRep. 532 Commerce and Consumer Protection on S.B. No. 13

The purpose and intent of this measure is to expand doctoral degree requirements for licensing of psychologists to include additional doctoral programs accredited by the American Psychological Association.

Your Committee received testimony in support of this measure from the Board of Psychology and Hawai'i Psychological Association.

Your Committee finds that this measure expands the doctoral degree requirement for psychologist licensure to include additional doctoral programs accredited by the American Psychological Association. This will expand the scope of doctoral level education, internship training, and post-doctoral specialty training and allow for greater opportunities for licensure.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 13 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 533 Judiciary and Labor on S.B. No. 143

The purpose and intent of this measure is to propose a constitutional amendment to article I, section 13, of the Hawaii State Constitution to increase the threshold value in controversy requirement for jury trials in civil cases at common law from \$5,000 to \$10,000.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from State Farm Mutual Automobile Insurance Company.

Your Committee finds that this measure may assist in lessening the burden on Circuit Courts with matters not involving large sums of money. Your Committee further finds that increasing the threshold value may lessen costs to the parties involved because a jury trial in Circuit Court can be more expensive than a bench trial in District Court.

Your Committee has amended this measure by deleting the ratification language pursuant to article XVII, section 3, of the Hawaii State Constitution and inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 143, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 143, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 534 Judiciary and Labor on S.B. No. 209

The purpose and intent of this measure is to expand the offense of promoting a dangerous drug in the first degree to include possession of one or more preparations, compounds, mixtures, or substances of an aggregate weight of fifty or more capsules, tablets, ampules, dosage units, or syrettes containing one or more dangerous drugs.

Your Committee received testimony in support of this measure from the Department of Public Safety; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Honolulu Police Department, City and County of Honolulu; and Maui Police Department, County of Maui. Your Committee received testimony in opposition to this measure from the Office of the Public Defender.

Your Committee finds that under existing law, for a person to be charged with promoting a dangerous drug in the first degree for possession of a pharmaceutical controlled substance, the suspect must possess one ounce or more of a Schedule II pharmaceutical controlled substance. However, Schedule II pharmaceutical controlled substances are in various forms, including pills, capsules, and syringes. This measure recognizes these various forms by expanding the offense of promoting a dangerous drug in the first degree to include possession of fifty or more capsules, tablets, ampules, dosage units, or syrettes containing one or more dangerous drugs.

Your Committee has amended this measure by:

- (1) Clarifying that the offense includes possession of fifty or more capsules, tablets, ampules, dosage units, or syrettes containing one or more dangerous drugs rather than the aggregate weight of fifty or more capsules, ampules, dosage units, or syrettes;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 209, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 209, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 535 Judiciary and Labor on S.B. No. 214

The purpose and intent of this measure is to:

- (1) Establish exclusive jurisdiction of the Small Claims Division of the District Court over cases in which the amount claimed is \$1,000 or less; and
- (2) Expand the jurisdiction of the Small Claims Division over personal property cases to include the return of any personal property worth \$5,000 or less.

Your Committee received testimony in support of this measure from the Judiciary. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that existing law allows plaintiffs to file their claims in the Small Claims Division or Regular Claims Division of the District Court. This measure will allow plaintiffs to file in the Small Claims Division when the amount in controversy is \$1,000 or less, which is more efficient and less costly for the plaintiff.

Your Committee has amended this measure by:

- (1) Making conforming amendments to section 633-28, Hawaii Revised Statutes, to reflect the amendments made to section 633-27, Hawaii Revised Statutes; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 214, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 536 (Majority) Judiciary and Labor on S.B. No. 218

The purpose and intent of this measure is to clarify the order of succession to the Office of the Lieutenant Governor when that office becomes vacant by:

- (1) Requiring that the President of the Senate or the Speaker of the House of Representatives in the order of succession be in the same political party as the Governor;

- (2) Deleting the Attorney General, Director of Finance, Comptroller, Director of Taxation, and Director of Human Resources Development from the order of succession; and
- (3) Adding to the order of succession after the Speaker of the House of Representatives a person appointed by the Governor who is a member of the same political party as the Governor and qualified to hold that office pursuant to the Hawaii State Constitution.

Your Committee received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee finds that the requirement that the successor to the Office of the Lieutenant Governor be of the same political party as the Governor allows for an expeditious transition of the powers and duties to the successor. This measure will provide for a more efficient execution of government services as well as ensure that policies and initiatives are not compromised upon the change in the Office of the Lieutenant Governor.

Your Committee has amended this measure by:

- (1) Reinstating the Director of Finance in the order of succession to the Office of Lieutenant Governor;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 218, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 218, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Espero, Ihara).

SCRep. 537 Judiciary and Labor on S.B. No. 223

The purpose and intent of this measure is to:

- (1) Prohibit the Office of the Public Guardian from petitioning for its own appointment as guardian of the person for an incapacitated person; and
- (2) Authorize the court to allow the Office of the Public Guardian to manage a ward's financial assets where no conservatorship is in effect.

Your Committee received testimony in support of this measure from the Office of the Public Guardian of the Judiciary. Your Committee received comments on this measure from one individual.

Your Committee finds that for the past ten years, the Office of the Public Guardian has declined to petition the court for its own appointment due to the potential for conflicts of interest. This measure codifies this practice by prohibiting the Office of the Public Guardian from petitioning for its own appointment while allowing private and public entities and the Department of Human Services to petition for the Office of the Public Guardian's appointment as guardian pursuant to section 560:5-304, Hawaii Revised Statutes.

Your Committee further finds that in situations where a ward of the Office of the Public Guardian has assets that should be protected in a conservatorship but no conservatorship is in place, this measure authorizes the Office to manage and oversee the financial assets of that ward.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Office of the Public Guardian that adds "emergency guardian" and substitutes "temporary guardian" with "temporary substitute guardian" under the types of guardian the public guardian is authorized to serve as; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 223, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 223, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Shimabukuro).

SCRep. 538 Judiciary and Labor on S.B. No. 442

The purpose and intent of this measure is to:

- (1) Establish the forwarding address for receiving absentee ballots permanently as the mailing address in a voter's registration record; and
- (2) Require voters seeking to have permanent absentee ballots forwarded to another address to reapply for an absentee ballot.

Your Committee received testimony in support of this measure from the Office of Elections; Office of the City Clerk, City and County of Honolulu; Office of the County Clerk, County of Maui; Office of the County Clerk, County of Kauai; Office of the County Clerk, County of Hawaii; and League of Women Voters of Hawaii. Your Committee received comments on this measure from one individual.

Your Committee finds that a permanent absentee voter is required to maintain current information in two separate records: a voter registration record and a permanent absentee record. Permanent absentee ballots are mailed to the mailing address on the permanent

absentee record. However, some permanent absentee voters update their voter registration record, but not their permanent absentee record. As a result, the absentee ballots are returned to the respective county clerk's office as undeliverable by the United States Postal Service. This measure will increase efficiency by automatically updating the permanent absentee record when the voter registration record is updated.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of the City Clerk that inserts a conforming amendment to the requirements for the voter registration affidavit to clarify that the mailing address required to be included in the residence information be within the county of the applicant;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 442, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 442, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 539 Judiciary and Labor on S.B. No. 452

The purpose and intent of this measure is to require that supplemental campaign spending reports be filed annually on January 31 rather than after an election year.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii. Your Committee received comments on this measure from one individual.

Your Committee finds that existing law requires every candidate to file a supplemental report by January 31 after an election year and July 31 after an election year. This measure will align the law with the present practice of candidates annually filing with the Campaign Spending Commission supplemental reports by January 31.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 452, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 452, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 540 Judiciary and Labor on S.B. No. 622

The purpose and intent of this measure is to require the Elections Commission to conduct a performance evaluation of the Chief Election Officer after each election and submit a written report regarding the evaluation to the Legislature.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii, Common Cause Hawaii, and one individual.

Your Committee finds that during the 2012 and 2014 elections, concerns were raised about the performance of the Chief Election Officer. This measure requires a performance evaluation of the Chief Election Officer after each election to assist in maintaining the integrity and efficiency of elections.

Your Committee notes the concerns raised in the written testimony submitted by the League of Women Voters of Hawaii that requiring a performance evaluation to be conducted after each election may be problematic due to the relatively short period of time between a primary election and general election.

Accordingly, your Committee has amended this measure by:

- (1) Requiring that the Elections Commission conduct a performance evaluation of the Chief Election Officer after each general election rather than each election and report on other evaluation after the general election results; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 622, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 622, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 541 Judiciary and Labor on S.B. No. 643

The purpose and intent of this measure is to:

- (1) Remove duplicative provisions in awarding grandparents reasonable visitation rights;
- (2) Add to the prerequisites for awarding reasonable visitation rights to a grandparent when the court finds that awarding visitation is in the best interest of the child and that denial of reasonable visitation rights would cause actual or potential harm to the child; and
- (3) Clarify procedures in awarding reasonable grandparent visitation rights.

Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that this measure addresses the concerns raised by the Hawaii Supreme Court by clarifying that parents have a fundamental privacy right in making childrearing decisions and that there is a presumption that their decisions regarding visitation are in their child's best interest and requiring that if a grandparent challenges the visitation decisions made by a parent, the court must find that the denial of visitation would cause actual or potential harm to the child. However, the Department of the Attorney General indicated in written testimony that the Hawaii Supreme Court held that the standard is not a showing of actual or potential harm, but that the denial of visitation would cause significant harm to the child.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General that replaces a showing of actual or potential harm with a showing of significant harm to the child;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 643, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 643, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 542 (Joint) Energy and Environment and Health on S.B. No. 1049

The purpose and intent of this measure is to prohibit, beginning on January 1, 2016, an electronic device manufacturer's recycling plan from providing an electronic device owner with only a mail-back option to return a covered electronic device to the electronic manufacturer for recycling.

Your Committees received testimony in support of this measure from the Department of Health, Hawaii Green Growth, Ulupono Initiative, and Consumer Electronics Association. Your Committees received comments on this measure from Sims Recycling Solutions.

Your Committees find that electronic waste is one of the fastest growing waste streams in the State. As technology advances and more electronic products are produced and consumed by the public, the generation of electronic waste is expected to increase. Providing only a mail-back option to return a covered electronic device to the electronic manufacturer for recycling is prohibitively expensive and time consuming for consumers and businesses. Implementation of this measure will increase electronic waste recycling and further the State's goal of waste reduction.

Your Committees have amended this measure by:

- (1) Clarifying that an electronic device manufacturer's recycling plan that provides only a mail-back option for the collection, transportation, and recycling of a manufacturer's covered electronic devices sold in the State shall not be approved by the Department of Health;
- (2) Inserting language to authorize the submission to the Department of Health of the recycling plan of an electronic device manufacturer of exclusively mobile covered electronic devices whose products are voluntarily accepted at no charge by at least fifty retail locations in the State if the recycling plan documents these locations; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1049, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1049, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Baker, Ruderman).

SCRep. 543 (Joint) Agriculture and Energy and Environment on S.B. No. 320

The purpose and intent of this measure is to allow composting on all lands with soil classified by the Land Study Bureau's detailed land classification as overall (master) productivity rating class A or B.

Your Committees received testimony in support of this measure from the Department of Planning and Permitting; Maui EKO Systems, Inc.; Zero Waste Campaign Maui; Malama O Puna; Pacific Biodiesel Technologies; Hawaii County Council District 9; the

Kona Chapter of Hawaii Farmers Union United; and seventeen individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Agriculture, Department of Health, and one individual.

Your Committees find that composting helps to achieve several environmental goals, including diversion of waste from landfills, prevention of the release of methane, improved soil quality, and overall waste reduction. However, composting must occur at appropriate locations and in an appropriate manner to avoid potential environmental problems to land surface, ground water, and air quality.

Your Committees have amended this measure by:

- (1) Inserting language to similarly amend section 205-2(d), Hawaii Revised Statutes, thereby allowing composting operations on all agricultural district lands, soil classifications A through E;
- (2) Deleting language that referenced recycling activity and approved solid waste management activity;
- (3) Requiring a special use permit for composting to ensure compliance with the Department of Agriculture pest management plan and any other land use concerns;
- (4) Adding language to restrict composting on A and B classified soil to on-site uses on the lesser of one acre or ten percent of the land; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 320, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 320, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 544 (Joint) Public Safety, Intergovernmental and Military Affairs and Tourism and International Affairs on S.B. No. 409

The purpose and intent of this measure is to authorize a zoning ordinance to provide for the amortization or phasing out of nonconforming single-family transient vacation rentals over a reasonable period of time in an area of any zoning classification.

Your Committees received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu and Hawaii State Association of Counties.

Your Committees find that the number of single-family transient vacation rentals in the State has grown throughout the years. However, due to ambiguity surrounding county zoning authority, the counties often have to resolve claims from owners that claim their property is primarily used for residential purposes and not commercial purposes. This allows property owners to circumvent various regulations. Implementation of this measure will reduce county enforcement issues and enable counties to bring non-conforming vacation rentals into compliance.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 409, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 409, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Keith-Agaran).

Tourism and International Affairs

Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (English, Tokuda).

SCRep. 545 Public Safety, Intergovernmental and Military Affairs on S.B. No. 673

The purpose and intent of this measure is to increase the number of Pacific International Space Center for Exploration Systems' Board of Directors members to eleven by adding the Director of the Office of Aerospace Development.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that the Pacific International Space Center for Exploration Systems' collaborative technology efforts present the State with a valuable opportunity to leverage the State's unique geography and resources. Implementation of this measure will ensure that the appropriate stakeholders are leading the maturation and utilization of these pioneering technologies.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 673 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 546 Public Safety, Intergovernmental and Military Affairs on S.B. No. 388

The purpose and intent of this measure is to require each county police department to post its policies relating to domestic violence, officer-involved domestic violence, and standards of conduct on its official website.

Your Committee received testimony in support of this measure from the Domestic Violence Action Center, League of Women Voters, Hawaii State Democratic Women's Caucus, Hawaii State Coalition Against Domestic Violence, and one individual.

Your Committee finds that as public servants charged with the critical role of responding to domestic violence, it is critical that law enforcement officers are well-trained, well-supervised, and accountable for their work. Clear policies relating to domestic violence, officer-involved domestic violence, and standards of conduct provide law enforcement officers and the public with expectations regarding conduct. Implementation of this measure will provide accountability and transparency and increase the public's confidence in the police departments.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 388 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 547 Commerce and Consumer Protection on S.B. No. 17

The purpose and intent of this measure is to clarify that the required disclosure of documents by a seller for a residential real property that is subject to restrictions or conditions on use applies to documents that are within a seller's knowledge or control.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS.

Your Committee finds that various sections in chapter 508D, Hawaii Revised Statutes, were amended in 2013 to, among other things, establish a uniform standard of disclosure for consumers and real estate licensees involved in planned community association, condominium project, and cooperative housing corporation transactions. However, concerns have been raised that the amended disclosure requirements under chapter 508D, Hawaii Revised Statutes, created a burden upon sellers who may not have knowledge or control of unrecorded rules or guidelines.

Your Committee further finds that buyers are protected by an existing statutory duty that requires sellers to act in good faith and disclose all material facts. This measure does not affect that existing duty but rather clarifies that the requirement to disclose documents applies to those documents within a seller's knowledge or control.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 17 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 548 Ways and Means on S.B. No. 1106

The purpose and intent of this measure is to reflect program changes within the Department of Human Services by substituting specific references in the Hawaii Revised Statutes to "QUEST" and "QUEST Expanded Access" with "medicaid managed care" or "medicaid managed care program", as appropriate.

Your Committee finds that on January 1, 2015, the QUEST and QUEST Expanded Access programs were combined and replaced by the QUEST Integration program which is provided through a managed care delivery system. Your Committee finds that it is necessary to replace all references to QUEST and QUEST Expanded Access in the Hawaii Revised Statutes to accurately reflect the change to the State's medicaid program.

Your Committee further finds that a conforming amendment should be made to section 103F-402, Hawaii Revised Statutes.

Accordingly, your Committee has amended this measure by inserting an amendment to section 103F-402, Hawaii Revised Statutes, to change the reference to "QUEST" in that statute to "medicaid managed care".

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1106, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1106, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 549 Judiciary and Labor on Gov. Msg. No. 512

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

G.M. No. 512 JAMES NISHIMOTO, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds James Nishimoto to possess the requisite qualifications to be nominated as the Director of Human Resources Development.

Your Committee received testimony in support of the nomination of Mr. Nishimoto from the Governor; Department of Human Resources Development; Department of Transportation; Department of Budget and Finance; Department of Human Resources, City and County of Honolulu; sixteen individuals of the Department of Human Resources Development senior management team and program managers; and nine individuals.

Mr. Nishimoto earned his Bachelor of Science degree in Zoology from the University of Kentucky. Upon graduation, he served in the United States Army for three years. He also received his Master in Arts in Business Personnel Administration and Public Administration from Central Michigan University and his Doctorate of Education from the University of Southern California.

Mr. Nishimoto has over thirty years of work experience with the State, including serving as Labor Relations Specialist, Employee Benefits Specialist, Budget Specialist, and Administrator of Collective Bargaining and Negotiations for the Department of Education; Deputy Negotiator for the Office of Collective Bargaining; Special Assistant to the Governor; and Deputy Director of the Department of Human Resources Development. For the past fifteen years, he has served in various roles for the University of Hawaii System, including Associate Director of Human Resources (2000-2003), Executive Assistant to the President of the University of Hawaii (2003-2008), Director of Academic Personnel Administration for the Office of the Vice President for Academic Affairs (2008-2009), and Director of Administrative Support Service for the University of Hawaii National Disaster Preparedness Training Center (2010-2011). Since 2011, Mr. Nishimoto has served as the Executive Assistant to the Vice President for Budget and Finance/Chief Financial Officer for the University of Hawaii System.

Mr. Nishimoto is certified in numerous fields, including mediation, conflict resolution, discrimination investigations, and internal investigations.

Testifiers in support of the nominee indicate that Mr. Nishimoto's years of service to the State are an indication of his dedication to public service. Known as "Nish" among his colleagues and friends, he is described by them as one who has developed a deep understanding of public employment laws in Hawaii and built a strong network of relationships with public agencies and employee unions. Written testimony further indicates that he uses a collaborative approach when working with parties with varying viewpoints to resolve issues in a timely and respectful manner and has a keen understanding of each situation before him to anticipate and address multiple factors that may have an impact.

Your Committee notes the testimony submitted in support from a number of employees of the Department of Human Resources Development. These employees testified that in the two months since his nomination as Director of Human Resources Development, they have observed him as an energetic, passionate, and fully committed department head who strives to ensure that the Department provides high quality services to state employees and the public. Furthermore, employees testified that as a result of implementing a collaborative, team-oriented approach, the Department has moved forward with improvements, including simplifying and streamlining the recruitment and classification processes and revamping and expanding training opportunities to assist state employees in performing more efficiently.

Your Committee finds that Mr. Nishimoto is exceptionally qualified to serve as the Director of Human Resources Development. He possesses the intelligence, knowledge, experience, and personality to be an outstanding Director.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 550 (Joint) Hawaiian Affairs and Water and Land on S.C.R. No. 7

The purpose and intent of this measure is to request that the Executive branch provide an accurate and complete accounting of public land trust revenues as required by section 5 of Act 178, Session Laws of Hawaii 2006.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Association of Hawaii Civic Clubs, and five individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that a financial review of revenue from the public lands trust for fiscal year 2012 found that a significant amount of public lands trust receipts was unreported. In order to ensure the accurate and complete accounting of the revenue from the public lands trust, the Legislature encourages the Governor to order each state agency to accurately report the revenues generated from public lands within its jurisdiction.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 7 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 551 Water and Land on S.C.R. No. 2

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement to Kahaluu Pond, Inc., for the use, repair, and maintenance of the seawall located at Kahaluu, Koolaupoko, Oahu, TMK: (1) 4-7-011: seaward of 0001, for a term of fifty-five years, as approved by the Board of Land and Natural Resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that the Kahaluu Fish Pond is on the State and National Registers of Historic Sites. State and federal officials have supported the restoration and maintenance of Hawaiian fishponds. Your Committee further finds that it is critical for Kahaluu Pond, Inc., to be able to repair, replace, and maintain the existing seawall of this historic property.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 2 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 552 Water and Land on S.C.R. No. 14

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 4-7-011: seaward of 001, Kahaluu, Koolaupoko, Oahu, for the use, maintenance, and repair of the existing seawall constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that around March 16, 1966, the Department worked with the owner Kahaluu Pond, Inc., to resolve the encroachment of a seawall on state submerged lands fronting the property identified as Tax Map Key: (1) 4-7-011: seaward of 001, Kahaluu, Koolaupoko, Oahu. On July 24, 1981, the Department's Office of Conservation and Coastal Lands indicated its support to the issuance of an easement to resolve the encroachment and had issued conservation district use permits in 1981.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 14 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 553 Water and Land on S.C.R. No. 15

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 5-6-003: seaward of 010, Kahuku, Koolauloa, Oahu, for the use, maintenance, and repair of the existing drainage structure constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that around August 2013, the Department was working with the owner, Makai Ranch, LLC, to resolve the encroachment of an abandoned drainage structure on state submerged lands, fronting the property identified as Tax Map Key: (1) 5-6-003: seaward of 010, Kahuku, Koolauloa, Oahu. On November 1, 2013, the Department's Office of Conservation and Coastal Lands indicated its support to the issuance of an easement to resolve the encroachment.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 15 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 554 Water and Land on S.C.R. No. 16

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 5-4-010: seaward of 009, Hauula, Koolauloa, Oahu, for the use, maintenance, and repair of a portion of the existing family residence, foundation, and lanai constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Around August 2013, the Department was working with the owners, Scott and Beverly Miyasaki, and Tracy Lindo, to resolve the encroachments of a family residence, its foundation, and lanai on state submerged lands fronting the property identified as Tax Map Key: (1) 5-4-010: seaward of 009, Hauula, Koolauloa, Oahu.

At its meeting of August 22, 2014, under agenda item D-20, the Board approved a grant of a 55-year non-exclusive easement to resolve the encroachments.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 16 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 555 Water and Land on S.C.R. No. 17

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 4-4-022: seaward of 007, Kaneohe, Koolaupoko, Oahu, for the use, maintenance, and repair of the existing CRM wall, landscaping area, floating dock, and concrete pier purposes constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that around April 2014, the Department was working with the owners, Clifford and Renee Tillotson, to resolve the encroachments of a CRM wall, landscaping area, floating dock, and concrete pier on state submerged lands fronting the property identified as Tax Map Key: (1) 4-4-022: seaward of 007, Kaneohe, Koolaupoko, Oahu. On May 12, 2014, the Department's Office of Conservation and Coastal Lands indicated its support for the issuance of an easement to resolve the encroachments in view of evidence indicating that the encroachments have been in existence since 1963.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 17 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 556 Water and Land on S.B. No. 1377

The purpose and intent of this measure is to prohibit spearfishing at all hours of the day within the Waikiki-Diamond Head shoreline fisheries management area until such time as the Department of Land and Natural Resources determines through research that the damage existing as of January 1, 2016, to the coral reefs has abated and the reefs are restored.

Your Committee received testimony in support of this measure from Animal Rights Hawai'i and Outrigger Hotels. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources; Hawaii Sportsmen's Alliance; Hawaii Nearshore Fishermen; and twenty-nine individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Waikiki-Diamond Head shoreline has been a historic and also iconic area of urban Honolulu for decades. This area has also experienced a sharp increase in fishing. As the population in urban Honolulu has grown so has the interest in recreational spearfishing, which has resulted in a negative impact on the fish population. Your Committee is concerned that unless spearfishing is curbed, the area will not be sustainable for other forms of fishing.

Your Committee has amended this measure by:

- (1) Deleting references to coral reefs and damaged coral;
- (2) Deleting language that would end the spearfishing prohibition at the time the Department of Land and Natural Resources determines through research that damage existing as of January 1, 2016, to the coral reefs has abated and the reefs have been fully restored;
- (3) Clarifying the purpose section to accurately reflect the amendments and concerns regarding the impact of population growth in urban Honolulu on the sustainability of fishing in the area; and
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1377, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1377, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 557 Ways and Means on S.B. No. 105

The purpose and intent of this measure is to require budget documents submitted to the Legislature, including those submitted by the Judiciary, to include the estimated future debt service of proposed capital improvement projects.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii.

Your Committee finds that the Legislature's task of balancing the budget is complicated. Including anticipated costs in a budget should be a standard budgetary procedure. The use of forward-looking financial plans are valuable for identifying known or potential cost items and is a matter of best practices in budgeting. Your Committee finds that the additional information on debt service costs to be submitted to the Legislature in each six-year program and financial plan and budget will result in a comprehensive budget that more accurately reflects costs to the State over the following six-year period.

Your Committee has amended this measure by simplifying it to require a summary of debt service for the following:

- (1) Capital improvement projects for which the appropriations are proposed in the six-year financial plan period; and
- (2) Capital improvement projects for which the appropriations were approved before the six-year financial plan period.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 105, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Slom).

SCRep. 558 Ways and Means on S.B. No. 253

The purpose and intent of this measure is to require the Director of Finance to submit to the Legislature a state debt management policy prior to the 2016 Regular Session and a debt affordability study prior to every Regular Session in an odd-numbered year thereafter.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Department of Budget and Finance is currently evaluating the establishment and adoption of a debt management policy and debt affordability study to provide established guidelines and policies in the issuance and administration of the State's general obligation bonds. However, your Committee believes that a formalized debt management policy and debt affordability study, as proposed under this measure, will promote transparency in budget-making and more informed decision-making with respect to authorizations for capital improvement projects and debt issuance.

Your Committee notes that, if the appropriations made under this measure are insufficient to cover the costs of preparing the state debt management policy and the debt affordability study, the Director of Finance is encouraged to submit to the Legislature a cost estimate to prepare the state debt management policy and debt affordability study and a request for an appropriation for this purpose.

Your Committee has amended this measure by extending the deadline for the submission of the state debt management policy from the Regular Session of 2016 to the Regular Session of 2017.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 253, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 253, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 559 Ways and Means on S.B. No. 101

The purpose and intent of this measure is to correct technical errors in Act 122, Session Laws of Hawaii 2014, known as the Supplemental Appropriations Act of 2014.

Specifically, the measure corrects references to the amounts of revenue bond funds and federal funds that were originally appropriated in 1993, subsequently amended in 1994, and determined to be lapsed as part of the Supplemental Appropriations Act of 2014.

Your Committee finds that it is important to correct erroneous amounts in the Supplemental Appropriations Act of 2014 so that the appropriate amounts of funds are lapsed.

Your Committee has amended this measure by making a technical nonsubstantive amendment for the purpose of clarity and to conform to recommended drafting conventions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 101, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 560 Ways and Means on S.B. No. 1312

The purpose and intent of this measure is to address state funds.

Specifically, this measure provides for a deposit of general revenues into the emergency and budget reserve fund to comply with the constitutional mandate to provide a tax refund or credit or make such a deposit.

Your Committee received comments on this measure from the Department of the Attorney General and the Department of Budget and Finance.

Your Committee finds that when certain economic conditions are met, article VII, section 6, of the Hawaii Constitution requires the Legislature to provide a tax refund or tax credit to state taxpayers or make a deposit into one or more funds, as provided by law, to serve as a reserve for the State. Specifically, this requirement is triggered when the state general fund balances at the end of two successive fiscal years exceed five percent of the state general revenues for those fiscal years. Your Committee also finds that, at the end of fiscal years 2012-2013 and 2013-2014, these conditions were met.

Your Committee believes that it is preferable to make a deposit into the emergency and budget reserve fund instead of providing a tax refund or credit. By increasing the reserve fund, the State will be better able to address possible emergencies and contingencies that may occur in the future when state revenues slow down. However, pursuant to section 328L-3(a)(3), Hawaii Revised Statutes

(HRS), general funds may only be deposited into the emergency budget and reserve fund when state general fund revenues for each of two successive fiscal years exceeds revenues for each of the preceding fiscal years by five percent. While the general fund revenues for fiscal year 2012-2013 exceeded the previous year's revenues by more than five percent, the general fund revenues for fiscal year 2013-2014 did not exceed the revenues for fiscal year 2012-2013 by more than five percent. Therefore, although the conditions specified in article VII, section 6, of the Hawaii Constitution have been met, the statutory requirements for a deposit of general funds into the emergency budget and reserve fund have not.

Nevertheless, your Committee finds that compliance with article VII, section 6, of the Hawaii Constitution may still be achieved via a deposit, rather than a tax credit or tax refund, through the enactment of a session law that would have the effect of amending section 328L-3(a)(3), HRS, only for fiscal year 2014-2015.

Accordingly, your Committee has amended this measure by:

- (1) Providing that, notwithstanding any law to the contrary, including section 328L-3(a)(3), HRS, the total sum of the tax credit or tax refund otherwise mandated by article VII, section 6, of the Hawaii Constitution shall be transferred to the emergency and budget reserve fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1312, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 561 Ways and Means on S.B. No. 1136

The purpose and intent of this measure is to update references to the Internal Revenue Code in section 235-55.91(e), Hawaii Revised Statutes, relating to credit for employment of vocational rehabilitation referrals.

Your Committee received testimony in support of this measure from the Department of Taxation. The Tax Foundation of Hawaii provided comments on the measure.

Your Committee finds that the Working Families Tax Relief Act of 2004, Public Law No. 108-311, relocated certain references to dependents within the Internal Revenue Code. Your Committee further finds that this measure corrects the references to the redesignated sections in the Internal Revenue Code within section 235-55.91(e), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1136 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 562 Ways and Means on S.B. No. 1134

The purpose and intent of this measure is to conform the state estate and generation-skipping transfer tax to the Internal Revenue Code.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, according to section 236E-5, Hawaii Revised Statutes, the intent of the state estate and generation-skipping transfer tax law is to conform as closely as possible to the Internal Revenue Code. Your Committee further finds that this measure is the annual tax conformity bill submitted by the Department of Taxation pursuant to section 236E-4, Hawaii Revised Statutes, to conform the state estate and generation-skipping transfer tax with the federal Internal Revenue Code by adopting changes made to the Internal Revenue Code during the previous year that are appropriate for Hawaii law.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1134 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 563 Ways and Means on S.B. No. 1133

The purpose and intent of this measure is to conform the state income tax to the Internal Revenue Code.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, according to section 235-3, Hawaii Revised Statutes, the intent of the state income tax law is to conform as closely as possible to the Internal Revenue Code. Your Committee further finds that this measure is the annual tax conformity bill submitted by the Department of Taxation pursuant to section 235-2.5, Hawaii Revised Statutes, to conform the state income tax law with the federal Internal Revenue Code by adopting changes made during the previous year that are appropriate for Hawaii law.

Your Committee has amended this measure by:

- (1) Adding a new section to the bill that amends section 235-2.4, Hawaii Revised Statutes, to make section 529A of the Internal Revenue Code operative; and
- (2) Making a correction to accurately reflect the text of section 235-2.3, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1133, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1133, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Dela Cruz).

SCRep. 564 Ways and Means on S.B. No. 159

The purpose and intent of this measure is to repeal various non-general funds and accounts.

Specifically, this measure repeals the following:

- (1) The Captain Cook Memorial Fund;
- (2) The statewide geospatial information and data integration special fund;
- (3) The food distribution program revolving fund;
- (4) The career and technical training projects revolving fund;
- (5) The University of Hawaii alumni special fund;
- (6) The animal research farm, Waialeale, Oahu special fund;
- (7) The public health nursing services special fund;
- (8) The blind shop revolving and handicraft fund;
- (9) The donations for voter registration drive trust account;
- (10) The Hawaii FYI - ICSD trust account administratively established in 1996;
- (11) The parking control revolving fund escrow account;
- (12) The returned ACH tax refunds trust account administratively established in 2004;
- (13) The HDOA biocontrol foreign exploration special fund created in 2010;
- (14) The Hawaii EUTF self-directed investments trust account created in 2007; and
- (15) An account controlled by the state commission on fatherhood.

The measure also transfers the balance of the fee simple residential revolving fund into the general fund.

Your Committee received testimony in support of this measure from the Department of Taxation, Department of Budget and Finance, Department of Accounting and General Services, University of Hawaii, Hawaii Housing Finance and Development Corporation; and one individual. The Office of the Auditor and the Tax Foundation of Hawaii submitted comments on this measure.

Your Committee finds that this measure implements some of the recommendations made by the Auditor in Auditor Report Nos. 14-01, 14-13, and 14-18. Repealing funds that no longer serve their intended purpose or no longer have activity makes government finances more transparent, increases budgetary flexibility, improves government efficiency, and raises government accountability.

Your Committee has amended this measure by repealing the fee simple residential revolving fund and references to that revolving fund that are contained in other sections in the Hawaii Revised Statutes, rather than only transferring the balance in the fund to the general fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 159, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 159, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 565 Commerce and Consumer Protection on S.B. No. 543

The purpose and intent of this measure is to:

- (1) Create a practice privilege for certain certified public accountants licensed in another state whose out-of-state license meets certain requirements; and
- (2) Establish a limited privilege to practice in Hawaii for out-of-state accountancy firms that meet certain requirements.

Your Committee received testimony in support of this measure from C&Y CPAs, LLC and over five hundred pages of testimony from individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association of Public Accountants; Niwao & Roberts, CPAs, a P.C.; and twelve individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Board of Public Accountancy.

Your Committee finds that practice mobility is the ability of a certified public accountant to gain a temporary practice privilege outside of that accountant's home state without getting an additional license. However, Hawaii is currently the only state without individual mobility. Your Committee further finds that many certified public accountants in Hawaii serve business clients who have operations in multiple states and compliance responsibilities that may cover multiple jurisdictions. Permitting individual mobility for certified public accountants will enable Hawaii certified public accountants to offer their services to clients throughout the country.

Your Committee has heard the testimony regarding accountancy firm mobility proposed by this measure. Your Committee notes that Hawaii has a unique peer review law for accountancy firms. Hawaii also has a unique firm ownership requirement that differs from the vast majority of states and the Uniform Accountancy Act. Your Committee has also heard the concerns of the Board of Public Accountancy regarding the ability to enforce the compliance of out-of-state accountancy firms with Hawaii's unique accountancy firm laws. Your Committee understands these concerns and concludes that amendments to this measure are necessary to remove references to accountancy firm mobility. However, your Committee also concludes that additional amendments are necessary to ensure additional consumer protection and compliance with the State's general excise tax requirements.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have established a limited privilege to practice in Hawaii for out-of-state accountancy firms and deleting other language referring to accountancy firm mobility;
- (2) Clarifying the requirements that an out-of-state certified public accountant must meet prior to engaging in a limited privilege to practice public accountancy in Hawaii, including requiring the individual to register with the Board of Public Accountancy and provide the Board with the individual's Hawaii general excise tax number;
- (3) Specifying additional requirements for an out-of-state certified public accountant who holds a limited privilege to practice in Hawaii, including:
 - (A) Subjecting the individual to the jurisdiction and disciplinary authority of the Board of Public Accountancy and state courts;
 - (B) Requiring compliance with any laws, rules, and regulations applicable to individuals engaging in practicing privileges in the State;
 - (C) Specifying service of process requirements;
 - (D) Requiring cooperation with Board of Public Accountancy investigations, inquiries, or requests;
 - (E) Specifying situations or actions that would require an individual to cease exercising the practice privilege in Hawaii, including a requirement to notify the Board within fifteen calendar days of ceasing practice; and
 - (F) Requiring the individual's certificate, license, or permit number on which the privilege to practice in Hawaii is based and the individual's Hawaii general excise tax number to be included on any invoice for services;
- (4) Specifying that an individual who engages in the practice of public accountancy without obtaining a privilege to practice shall be deemed to have engaged in unlicensed activity and subject to civil and criminal prosecution;
- (5) Clarifying that the individual privilege to practice does not allow an out-of-state accountancy firm to practice in Hawaii without first obtaining a Hawaii license and firm permit to practice;
- (6) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 543, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 543, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Taniguchi). Noes, none. Excused, 1 (Slom).

SCRep. 566 Commerce and Consumer Protection on S.B. No. 1095

The purpose and intent of this measure is to make various updates to title 24, Hawaii Revised Statutes, relating to insurance.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure makes various updates to title 24, Hawaii Revised Statutes, relating to insurance, including: specifying that rating of rates approved by the Insurance Commissioner is prohibited; permitting the suspension, revocation, or denial of a mutual benefit society's certificate of authority under certain conditions; and making other conforming amendments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1095, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1095, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Taniguchi).

SCRep. 567 Commerce and Consumer Protection on S.B. No. 1265

The purpose and intent of this measure is to make technical amendments to the insurance holding company system law.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure makes certain technical amendments to clarify provisions of article 11 of the Insurance Code, relating to the insurance holding company system.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1265 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Taniguchi).

SCRep. 568 Commerce and Consumer Protection on S.B. No. 1097

The purpose and intent of this measure is to clarify that the Public Utilities Commission may order the Consumer Advocate, rather than the Director of Commerce and Consumer Affairs, to appear in regulatory proceedings initiated by the Commission.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and Public Utilities Commission.

Your Committee finds that Act 108, Session Laws of Hawaii 2014 (Act 108), expressly designated the Executive Director of the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs as the Consumer Advocate. Prior to Act 108, the Director of Commerce and Consumer Affairs had been statutorily designated as the Consumer Advocate. Under Act 108, a number of updates were made to chapter 269, Hawaii Revised Statutes, to reflect this redesignation. This measure amends section 269-15(a), Hawaii Revised Statutes, to change the reference in this section from the Director of Commerce and Consumer Affairs to the Consumer Advocate, for consistency with changes made to chapter 269, Hawaii Revised Statutes, by Act 108.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1097 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Taniguchi).

SCRep. 569 Higher Education and the Arts on S.B. No. 332

The purpose and intent of this measure is to designate October 2 of each year as Mohandas Karamchand Gandhi Day in Hawaii.

Your Committee received testimony in support of this measure from the Gandhi International Institute for Peace, Center for Global Nonkilling, Honpa Hongwanji Mission of Hawaii, The Interfaith Alliance Hawaii, International Society for Krishna Consciousness, and nineteen individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Mohandas Karamchand Gandhi, also known as "Mahatma", was born on October 2, 1869. He was the leader of Indian nationalism in British-ruled India and led India to independence through the use of non-violent civil disobedience, inspiring various political leaders and civil rights movements across the world. Gandhi is internationally admired for his nonviolent philosophy of passive resistance. He is commemorated on October 2 with a national holiday in India and world-wide with the International Day of Nonviolence. This measure honors Gandhi for his inspiration, tolerance, and enduring legacy.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 332 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

SCRep. 570 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1154

The purpose and intent of this measure is to require that for counties with a population of five hundred thousand or more, a notice of a public hearing on an application for a liquor license before a county liquor commission be mailed at least thirty days prior to the date set for the hearing.

Your Committee received testimony in support of this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that starting a liquor licensed business requires a considerable amount of time and a significant financial investment, and obtaining an approved liquor license is a critical step in commencing operations and generating revenue to offset costs. The time between a notice of a public hearing on a liquor license application and the actual hearing allows individuals to determine the impact of a liquor license on the community. Implementation of this measure will enable approved liquor license applicants to commence operations sooner, while still providing ample time for individuals to evaluate and comment on a liquor license application.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1154 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 571 Public Safety, Intergovernmental and Military Affairs on S.B. No. 868

The purpose and intent of this measure is to:

- (1) Authorize each county liquor commission to regulate dancing on licensed premises; and
- (2) Require each county liquor commission that chooses to regulate dancing to adopt or amend rules regarding limitations on dancing in premises licensed to sell liquor for consumption thereon and define the term “dancing”, no later than October 1, 2015.

Your Committee received testimony in support of this measure from the Department of Liquor Control of the County of Kauai and Maui Dance Advocates. Your Committee received testimony in opposition to this measure from the Department of Liquor Control of the County of Maui.

Your Committee finds that this measure will provide each county liquor commission with the authority to regulate dancing in licensed premises and require each county liquor commission that chooses to regulate dancing to adopt or amend rules regarding limitations on dancing and define the term “dancing”. Implementation of this measure will enable county liquor commissions to provide patrons with an understanding of and guidelines regarding any implemented dancing regulations.

Your Committee has amended this measure by:

- (1) Clarifying that a liquor commission has the sole jurisdiction, power, authority, and discretion to prescribe limitations on licensed premises regarding dancing therein if the liquor commission chooses to regulate dancing; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 868, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 868, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 572 Public Safety, Intergovernmental and Military Affairs on S.B. No. 1151

The purpose and intent of this measure is to authorize:

- (1) Restaurants and retail dealers with a liquor license to sell beer, malt beverages, or cider for off-premises consumption, under certain conditions; and
- (2) Brewpubs and small craft producer pubs with a liquor license to sell malt beverages manufactured on the licensee’s premises or purchased from another liquor licensee in growlers for off-premises consumption.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association. Your Committee received testimony in opposition to this measure from the Hawaii Liquor Wholesalers Association. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that this measure permits the sale of growlers at all liquor retail establishments and restaurants and allows brew pubs and small craft producer pubs to sell different brands of beer in growlers. Implementation of this measure will enable consumers to try an expanded selection of draft beer and also provide the opportunity for growth and expansion of the local craft beer industry.

Your Committee has amended this measure by replacing “for off-premises consumption” with “in non-original packages” to clarify that a retail dealer with a class 4 liquor license is authorized to sell beer, malt beverages, or cider in non-original packages, under certain conditions.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1151, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1151, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 573 Commerce and Consumer Protection on S.B. No. 1316

The purpose and intent of this measure is to require the board of directors of an association of apartment owners, condominium association, cooperative housing corporation, or planned community association, upon receipt of a request for the installation of an electric vehicle charging system, to make a decision to approve or deny the request within sixty days.

Your Committee received testimony in support of this measure from EV Structure, Ulupono Initiative, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds electric vehicles provide a more efficient transportation method that reduces fossil fuel consumption. Your Committee further finds that as the demand for electric vehicles grows, so does the demand for electric vehicle charging systems. This measure facilitates the right to choose a more efficient transportation solution in a timely manner.

Your Committee has heard the concerns that because section 196-7.5, Hawaii Revised Statutes, prohibits multifamily dwellings from denying the installation of an electric vehicle charging system, the language proposed by this measure may contradict that

section. Your Committee notes that section 196-7.5, Hawaii Revised Statutes, does permit private entities to adopt rules that reasonably restrict the installation of electric vehicle charging systems.

According to testimony received by your Committee, transformers in typical multifamily dwellings across the country have a transformer load capacity that allows for the installation of approximately six level II electric vehicle chargers. Subsequent requests for additional charging systems could require a transformer upgrade, which can cost approximately \$35,000. Your Committee additionally finds that a board of directors and requesting shareholders, members, or unit owners should understand the capacity of a transformer before approval is given to install an electric vehicle charging system. Together with energy audit data, this data will give the board and shareholders, members, or unit owners a more accurate and comprehensive idea of the cost of installing an electric vehicle charging station.

Your Committee has amended this measure by:

- (1) Requiring the board of directors of an association of apartment owners, condominium association, cooperative housing corporation, or planned community association, upon receipt of a request for the installation of an electric vehicle charging system, to make a decision to approve, or approve with reasonable restrictions, the request within sixty days;
- (2) Requiring receipt of documentation on transformer load capacity and an energy audit prior to the board of directors' approval or approval with reasonable restrictions of a request to install an electric vehicle charging system; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1316, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1316, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Kidani). Noes, none. Excused, 1 (Slom).

SCRep. 574 Commerce and Consumer Protection on S.B. No. 717

The purpose and intent of this measure is to repeal the requirement that gasoline sold in the State for use in motor vehicles be composed of ten percent ethanol.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from Bioenergy Associates LLC. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that since 1997, Hawaii has required that gasoline sold in the State include ten percent ethanol. Your Committee notes that although ethanol has reduced the consumption of petroleum products in the transportation sector, the ethanol has been imported and has not been produced locally despite the availability of production tax credits. Your Committee further finds that the requirement of blending ethanol into Hawaii's gasoline does not produce an economic benefit for the State, while the import of ethanol creates an economic burden for state residents. Repealing the ethanol gasoline requirement will ensure that any added costs associated with ethanol blending will not affect gasoline price and supply.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 717, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 717, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 575 Commerce and Consumer Protection on S.B. No. 1162

The purpose and intent of this measure is to:

- (1) Prohibit the subdivision of, or creation of a condominium property regime on, parcels of agricultural lands one hundred acres or greater in size if at least fifty percent of the land in the parcel is rated class A or B by the Land Study Bureau's overall productivity rating; and
- (2) Exempt a landowner applicant who is the Department of Agriculture, the Agribusiness Development Corporation, or a bona fide commercial farmer from the prohibition against subdivision.

Your Committee received testimony in support of this measure from the Land Use Commission, Hawaii's Thousand Friends, and one individual. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and Land Use Research Foundation of Hawaii. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that subdivisions of, and community property regimes on, agricultural land without controls, monitoring, and enforcement can result in harm to agriculture by allowing increases in the value of agricultural land unrelated to agricultural productivity. This increase in value makes agricultural land unaffordable to farmers who are unable to purchase agricultural land for commercial farming. Your Committee further finds that it is important for certain large areas of agricultural lands to remain contiguous in order to accommodate certain agricultural uses; therefore, the subdivision of agricultural lands, including through condominium property regimes, must be scrutinized.

Your Committee understands that concerns have been raised regarding the definition of "bona fide commercial farmer" as proposed by this measure and whether this definition may be too narrow. Therefore, further discussions regarding the definition of "bona fide

commercial farmer” and whether it should be amended to be more inclusive may be warranted as this measure moves through the legislative process.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1162, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1162, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Kidani, Wakai). Noes, none. Excused, 1 (Slom).

SCRep. 576 Commerce and Consumer Protection on S.B. No. 646

The purpose and intent of this measure is to:

- (1) Permit the installation of clotheslines in any residential dwelling, apartment, condominium, or townhouse, under certain conditions; and
- (2) Specify the reasonable restrictions that may be adopted by rule on the placement and use of clotheslines in any residential dwelling, apartment, condominium, or townhouse.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Wailea Community Association.

Your Committee finds that because of Hawaii’s climate, Hawaii homeowners often have the choice to save money and energy by using a clothesline to dry their clothes. However, many homeowner, condominium, and planned community associations have restrictions on the use of clotheslines. This measure permits the installation of clotheslines in any residential dwelling, apartment, condominium, or townhouse, while also specifying the reasonable restrictions an association may adopt by rule regarding the placement and use of clotheslines.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 646, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 646, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 577 Commerce and Consumer Protection on S.B. No. 488

The purpose and intent of this measure is to require separate electricity utility metering of nonresidential and residential condominium units in all mixed-use condominium projects.

Your Committee received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs.

Your Committee finds that the cost of the total electric consumption for most master-metered buildings is divided among units without taking into account a resident’s individual consumption. This measure mandates individual electricity meters in condominiums, thereby requiring the consumer of the electricity used in each condominium unit to be financially responsible for that resident’s own energy consumption. Your Committee notes that this measure also requires the cost of installing separate meters to be borne by condominium associations, rather than the electric utility. This ensures that all electric utility ratepayers will not subsidize these costs.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 488, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 488, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 578 Commerce and Consumer Protection on S.B. No. 464

The purpose and intent of this measure is to prohibit agreements that include introductory free trial periods for the purchase of periodic delivery of merchandise, services, or internet access unless the consumer explicitly and affirmatively consents to being billed for automatic renewal, continuous delivery, or service beyond the last date of the free trial period.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs.

Your Committee finds that introductory free trial offers are used to incentivize consumers to agree to accept a purchase of periodic delivery of merchandise or services. According to testimony received by your Committee from the Office of Consumer Protection, the means to cancel free trial offers associated with automatic renewal clauses should be clearly and conspicuously disclosed and require the consumer to provide an explicit acknowledgment and affirmative consent to any agreement. The underlying policy behind this is to help ensure that Hawaii consumers are made fully aware of all of the terms and conditions of the agreement.

This measure adds a new section to chapter 481B, Hawaii Revised Statutes, relating to unfair and deceptive practices. However, your Committee finds that the most appropriate way to protect Hawaii consumers from the problems associated with free trial offers is to amend section 481-9.5, Hawaii Revised Statutes, relating to automatic renewal clauses. Amendments to this measure are therefore necessary.

Your Committee further finds that additional amendments to section 481-9.5, Hawaii Revised Statutes, are necessary to ensure adequate safeguards for consumers subject to automatic renewal clauses. These safeguards will help protect Hawaii consumers from abuses associated with automatic renewal clauses involving disclosures relating to acknowledgment and affirmative consent, use of credit and debit cards, and cancellation rights.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have added a new section on free trial offers in chapter 481B, Hawaii Revised Statutes, relating to unfair and deceptive practices;
- (2) Amending section 481-9.5, Hawaii Revised Statutes, relating to automatic renewal clauses, by requiring:
 - (A) Persons charging a consumer's credit or debit card or account with a third party for automatic renewal or continuous service to first obtain the consumer's acknowledgment and affirmative consent;
 - (B) An acknowledgment regarding automatic renewal or continuous service offer terms, the cancellation policy, and information on how to cancel to be provided in a manner capable of being retained by the consumer;
 - (C) Free trial offers to clearly and conspicuously disclose how to cancel the agreement prior to the consumer being charged for goods and services;
 - (D) Clear and conspicuous disclosure of a timely and easy-to-use mechanism for cancellation; and
 - (E) Clear and conspicuous notice of material changes in the terms of an automatic renewal or continuous service offer that has been accepted by a consumer in Hawaii and information on how to cancel service in a manner that can be retained by the consumer;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 464, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 464, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 579 (Majority) Commerce and Consumer Protection on S.B. No. 737

The purpose and intent of this measure is to:

- (1) Include interest charged on a deferred deposit transaction to be included in the written agreement; and
- (2) Limit the allowable annual percentage rate of a deferred deposit transaction to thirty-six percent per annum.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs; Office of Hawaiian Affairs; PHOCUSED; Hawai'i Appleseed Center for Law and Economic Justice; Hawaiian Community Assets; Catholic Charities Hawai'i; Goodwill Industries of Hawaii, Inc.; Hawai'i Alliance for Community-Based Economic Development; Progressive Democrats of Hawai'i; Community Alliance on Prisons; Faith Action for Community Equity; International Longshore and Warehouse Union, Local 142; UNITE HERE, Local 5; and two individuals. Your Committee received testimony in opposition to this measure from Money Service Centers of Hawaii, Inc.; Dollar Financial Group, Inc.; Community Financial Services Association of America; Cash in Advance, Inc.; Maui Loan Inc.; and three individuals. Your Committee received comments on this measure from the Office of the Auditor.

Your Committee finds that deferred deposit agreements, commonly referred to as payday loans, are small, short term, unsecured loans that borrowers promise to repay from their next paycheck or regular income payment. Existing state law permits check cashers to charge a fee of fifteen percent of the face value of a check and lend up to a maximum of \$600. This fee cap amounts to an annual percentage rate of four hundred sixty-five percent, which can trap borrowers in a cycle of high interest loans. Your Committee further finds that the high fees associated with deferred deposit agreements make it difficult for individuals to timely repay these loans. According to testimony received by your Committee, only two percent of deferred deposit agreements go to borrowers who can afford to pay off the loan the first time. Furthermore, four out of five payday borrowers either default or renew a payday loan over the course of a year.

Your Committee additionally finds that this measure proposes to adopt a thirty-six percent cap on deferred deposit agreements. Your Committee notes that this cap would be consistent with the growing trend around the country to provide more consumer protections for these loans. According to the Consumer Federation of America, eighteen states plus the District of Columbia have either capped deferred deposit agreements at thirty-six percent or banned these types of loans completely. The thirty-six percent cap

also follows precedent established by the federal government, who in 2006 made it illegal to charge more than a thirty-six percent annual percentage rate on payday loans to active-duty service members and their families.

Finally, your Committee has heard testimony that although this measure amends section 480F-4(b), Hawaii Revised Statutes, there is still a reference to the current fifteen percent fee that may be charged on a deferred deposit agreement under section 480F-4(c), Hawaii Revised Statutes. If this reference is not repealed, language regarding the fifteen percent fee will conflict with language imposing a thirty-six percent annual percentage rate cap, as the fifteen percent fee, when annualized, equals an annual percentage rate of four hundred fifty-nine percent. Your Committee concludes that amendments clarifying the thirty-six percent cap on deferred deposit transactions would be more appropriate within section 480F-4(c), Hawaii Revised Statutes.

Accordingly, your Committee has amended this measure by:

- (1) Deleting an amendment to section 480F-4(b), Hawaii Revised Statutes, that would have required interest charged on a deferred deposit transaction to be included in the written agreement and limited the allowable annual percentage rate of a deferred deposit transaction to thirty-six percent per annum;
- (2) Clarifying the thirty-six percent annual percentage rate cap on deferred deposit transactions by amending section 480F-4(c), Hawaii Revised Statutes, to:
 - (A) Repeal language that permitted check cashers to charge a fee for deferred deposit of a personal check not to exceed fifteen percent; and
 - (B) Specify that the total amount of fees for the deferred deposit of a personal check shall not exceed a thirty-six percent annual percentage rate; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 737, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Nishihara, Taniguchi).

SCRep. 580 Transportation on Gov. Msg. No. 522

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION

G.M. No. 522 FORD FUCHIGAMI, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Ford Fuchigami to possess the requisite qualifications to be nominated to be Director of the Department of Transportation.

Your Committee received testimony in support of the nomination of Ford Fuchigami from the Office of the Governor; Department of Budget And Finance; Department of Taxation; Department of Human Resources Development; Department of Hawaiian Home Lands; County of Hawai'i Office of the Mayor; Mayor of the County of Maui; Department of Transportation Services, City and County of Honolulu; Oahu Metropolitan Planning Organization; United Public Workers, AFSCME Local 646, AFL-CIO; Hawaii Transportation Association; Capitol Consultants of Hawaii, LLP; Kapolei Properties LLC; International Brotherhood of Electrical Workers Local Union 1186; Airlines Committee of Hawaii; Hawai'i Lodging & Tourism Association; Pacific Division, Matson, Inc.; Starwood Hotels and Resorts; Hawaii Carpenters Apprenticeship and Training Fund; Young Brothers, Limited; Laborers' International Union of North America Local 368; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Pilots Association; Hawaii Regional Council of Carpenters; Hawaii Operating Engineers Industry Stabilization Fund; General Contractors Association of Hawaii; Outrigger Enterprises Group; Building Industry Association of Hawaii (BIA-Hawaii); KYA Design Group, Inc.; Filipino American Citizens League; National Federation of Filipino American Associations Region 12; Nursing Advocates & Mentors, Inc.; Ironworkers Stabilization Fund; and thirty-six individuals.

Your Committee finds that Ford Fuchigami received a Bachelor of Arts in Journalism, with a minor in Communications, from the University of Hawaii at Manoa.

Mr. Fuchigami currently serves as the Interim Director of Transportation. Previously, Mr. Fuchigami served as Acting Director of the Department of Enterprise Services of the City and County of Honolulu; Interim Director of the Department of Transportation; and Deputy Director, Airports Division, of the Department of Transportation. He also has extensive experience in the private sector in marketing, sales, and information technology.

Your Committee further finds that in response to your Committee's questionnaire, Mr. Fuchigami noted that his strengths include an extensive background in management and team-building. His facilitation and listening skills have allowed him to have very positive collaborations throughout his career. He feels his non-engineering background actually serves as a positive since he brings a different perspective to the "business as usual" mindset that can sometimes be deeply rooted in certain professional fields. Mr. Fuchigami's experience in the private sector has also given him an idea of how quickly projects can be accomplished which will help him to improve the Department of Transportation's project development processes to be more efficient with timely results.

Mr. Fuchigami testified that in the next few years, he will focus on keeping airports and harbors modernization projects on-schedule and within budget. He will also work to eliminate delays in highway improvement projects while keeping the public informed along the way.

Your Committee notes the common thread in the testimony received in support of Mr. Fuchigami is that he has the ability to work collaboratively to identify and resolve complex issues, all the while keeping in mind his service to the public. He is honest, transparent, accountable, and responsive. He exemplifies competence, courtesy, and professionalism. Most importantly, he gets the job done. For example, when Mr. Fuchigami oversaw commercial and general aviation airports, he was facilitative and collaborative in the construction of Kona International Airport and other critical transportation projects on the Island of Hawaii.

Your Committee believes that the Department of Transportation will benefit greatly from Mr. Fuchigami's leadership.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Kidani).

SCRep. 581 Transportation on Gov. Msg. No. 523

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION

G.M. No. 523 JADE BUTAY, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jade Butay to possess the requisite qualifications to be nominated to be Deputy Director of the Department of Transportation.

Your Committee received testimony in support of the nomination of Jade Butay from the Office of the Governor; Department of Budget and Finance; Department of Taxation; Department of Hawaiian Home Lands; Department of Transportation Services, City and County Of Honolulu; United Public Workers, AFSCME, Local 646, AFL-CIO; Capitol Consultants of Hawaii, LLP; Young Brothers, Limited; Laborers' International Union of North America Local 368; Nursing Advocates & Mentors, Inc.; National Association of Filipino American Associations, Region 12; Hawaii Laborers-Employers Cooperation and Education Trust; Filipino Coalition for Solidarity; Filipino Coalition for Solidarity; Filipino American Citizens League; General Contractors Association of Hawaii; Filipinos for Affirmative Action; Building Industry Association of Hawaii (BIA-Hawaii); GA Morris, Inc.; Hawaii Green Infrastructure Authority; and twenty-five individuals.

Your Committee finds that Mr. Butay received a Master of Business Administration from Babson College and a Bachelor of Business Administration with Distinction, majoring in Finance and Accounting, from the University of Hawaii at Manoa. He speaks Ilocano, Tagalog, and Spanish.

Prior to being nominated to serve as the Deputy Director of the Department of Transportation, Mr. Butay served as the Deputy Director of the Department of Labor and Industrial Relations. He also served as the Deputy Director for Administration for the Department of Transportation; Congressional Aide to United States Congressman Neil Abercrombie; and Budget Analysis and Legislative Coordinator at the Department of Business, Economic Development, and Tourism. He also has extensive experience in the construction industry, consulting, and management.

Your Committee notes that in response to your Committee's questionnaire, Mr. Butay stated that his greatest strength is that he can mobilize a team to set high expectations and meet its goals and objectives, and he does so with efficiency, flexibility, and good humor. He is a good listener and will take into consideration input from others. He is not hesitant to make difficult and sometimes unpopular decisions after he has weighed all the factors. Mr. Butay believes the Department of Transportation needs to correct weaknesses that impede its progress to improve the way it delivers the benefits of transportation in the State. Mr. Butay testified that this can be done by promoting a culture of openness, improving communication, and encouraging collaboration among the Department's divisions. His vision for the Department of Transportation is to keep the traveling public safe and secure while increasing their mobility, as well as to contribute to the State's economic growth. The modernization of the airports and harbors and the maintenance and preservation of existing highway systems is the top budget priority.

Your Committee notes the testimony of one department director who worked with Mr. Butay, that Mr. Butay ensured that all required financial statements, work papers, and documentation relating to the State's Comprehensive Annual Financial Report were provided to the auditors and the Department of Accounting and General Services in accordance with the State's required deliverables schedule. According to this director, "Jade has always been responsive and professional to these critical requests in his capacity at the Department of Transportation and Department of Labor and Industrial Relations".

Your Committee believes that the Department of Transportation will benefit greatly from Mr. Butay's extensive experience and knowledge.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kidani).

SCRep. 582 Commerce and Consumer Protection on S.B. No. 805

The purpose and intent of this measure is to remove the sunset provision from Act 255, Session Laws of Hawaii 2012, relating to definitions of "the practice of nursing as a licensed practical nurse" and "the practice of nursing as a registered nurse."

Your Committee received testimony in support of this measure from the Board of Nursing, The Queen's Health Systems, and Hawaii Academy of Physician Assistants.

Your Committee finds that Act 255, Session Laws of Hawaii 2012 (Act 255), amended the definitions of “the practice of nursing as a licensed practical nurse” and “the practice of nursing as a registered nurse” to include carrying out the orders of a licensed physician assistant practicing with physician supervision as required by chapter 453, Hawaii Revised Statutes, and acting as an agent of the supervising physician. Act 255 included a sunset provision to repeal the amended versions of the definitions on July 1, 2017. Your Committee further finds that there has been ample time to evaluate Act 255 and its effect on public health, and there has been no harm. Rather, the changes made by Act 255 have provided clarity and improved communications for health care providers and patients.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 805 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 583 Judiciary and Labor on S.B. No. 225

The purpose and intent of this measure is to amend the offense of habitually operating a vehicle under the influence of an intoxicant to include operating a vehicle under the influence of an intoxicant after at least one conviction within the previous ten years for habitually operating a motor vehicle under the influence of an intoxicant.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawaii; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; and Hawaii Chapter of Mothers Against Drunk Driving.

Your Committee finds that under existing law, a prior felony conviction for habitually operating a vehicle under the influence of an intoxicant (HOVUII) under section 291E-61.5, Hawaii Revised Statutes, is treated the same as a prior petty misdemeanor conviction for operating a vehicle under the influence of an intoxicant (OVUII) under section 291E-61, Hawaii Revised Statutes, for the purposes of triggering a subsequent HOVUII charge. As a result, a loophole exists when an individual committing the offense of OVUII after being convicted of the offense of HOVUII, within ten years of the current offense, may not have the same status as a habitual operator of a vehicle while under the influence of an intoxicant unless there were at least two more convictions of HOVUII, OVUII, or a combination of both within the applicable ten year period. Accordingly, this measure assists in the appropriate enforcement and oversight of these offenses and ensures that the definition of “habitual operator of a vehicle while under the influence of an intoxicant” accurately reflects the intent of the law.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 225, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 584 Commerce and Consumer Protection on S.B. No. 722

The purpose and intent of this measure is to:

- (1) Require the thirty-day lapse or termination notices for long-term care policies or certificates to be sent by certified mail or commercial delivery service instead of first-class mail; and
- (2) Prohibit a long-term care policy or certificate from lapsing or being terminated earlier than sixty days after the date of mailing of the notice.

Your Committee received testimony in support of this measure from AARP Hawaii and two individuals. Your Committee received testimony in opposition to this measure from America’s Health Insurance Plans and American Council of Life Insurers.

Your Committee finds that long-term care insurance plays an important role in financing long-term care in Hawaii and individuals may faithfully maintain a long-term care insurance policy for many years before an unintentional lapse in payment occurs. It is therefore important to have strong consumer protection standards in this area, including the requirement for lapse or termination notices to be sent by certified mail or commercial delivery service as proposed by this measure.

Your Committee has heard the concerns that this measure proposes to prohibit the lapse or termination of a policy no earlier than sixty days after the date of mailing of the lapse or termination notice. Your Committee notes that under existing Hawaii law, the earliest date an insurer may terminate a policy is sixty-five days, which is consistent with the requirements under the National Association of Insurance Commissioners’ long-term care insurance model. According to testimony received by your Committee, the language proposed in this measure requires an insured to provide the insured an additional twenty-five days of coverage without premium payment, which would essentially result in a ninety-day grace period of coverage. Your Committee concludes that amendments to this measure are necessary to keep the lapsing or termination of a policy consistent with the National Association of Insurance Commissioners’ requirement of sixty-five days.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have prohibited a long-term care policy or certificate from lapsing or being terminated earlier than sixty days after the date of mailing of the notice; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 722, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 722, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 585 Commerce and Consumer Protection on S.B. No. 1040

The purpose and intent of this measure is to require all fresh produce sold at farmers' markets to be displayed with a label or sign containing an identity statement declaring the produce's geographic origin.

Your Committee received testimony in support of this measure from the Hawai'i Farm Bureau and two individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that local farmers' markets are an excellent way to showcase and promote local farms and their products and provide consumers with a venue to purchase local foods. However, your Committee has heard the concerns that this measure requires vendors to label or display a sign with the geographic origin for every product they sell. Your Committee understands the concerns that this requirement may be burdensome for vendors who sell multiple products or whose produce varies by crop and season. Your Committee has also heard the concerns that the federal Country of Origin Labeling program requires fresh produce to be displayed with the country, but not the actual state, of origin. According to testimony received from the Department of Agriculture, farmers' market vendors may have difficulty obtaining the exact state of origin for imported produce.

Your Committee further finds that this measure is intended to inform consumers whether the produce they purchase at farmers' markets is from Hawaii. Amendments to this measure are therefore necessary to narrow the label or sign requirements proposed by this measure and ensure that consumers interested in purchasing Hawaii produce at farmer's markets are aware of their options.

Accordingly, your Committee has amended this measure by:

- (1) Requiring Hawaii fresh produce or items made with Hawaii grown produce sold at farmers' markets to be displayed with a label or sign containing an identity statement declaring the Hawaii produce's county of geographic origin;
- (2) Requiring non-Hawaii produce sold at farmers' markets to be displayed with a label or sign containing an identity statement declaring the non-Hawaii produce "imported";
- (3) Amending the definition of "geographic origin";
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1040, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1040, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 586 Commerce and Consumer Protection on S.B. No. 802

The purpose and intent of this measure is to allow condominiums and cooperative housing corporations to adopt rules prohibiting smoking in units, common elements, or limited common elements.

Your Committee received testimony in support of this measure from the Department of Health, Coalition for a Tobacco-Free Hawai'i, and three individuals. Your Committee received testimony in opposition to this measure from ten individuals.

Your Committee finds that secondhand smoke incursions in multiunit housing, such as condominiums and apartments, are a common and pervasive problem in Hawaii and the United States. According to testimony from the Department of Health, approximately forty percent of the complaint calls regarding secondhand smoke exposure received by the Department relate to infiltration in multiunit housing. According to the Center for Energy and the Environment, approximately sixty-five percent of the air is shared between units in apartment buildings, meaning that one person smoking can potentially affect all other units in the building. This is particularly concerning for residents of multiunit housing in Hawaii, as the State has an above average number of multiunit dwellers and dwellings compared to the rest of the nation. Accordingly, this measure enables condominiums and cooperative housing corporations to adopt smoke-free policies by rule, which will provide health and safety protections for owners and tenants in those multiunit dwellings and reduce the likelihood of nonuser exposure to the carcinogens found in secondhand smoke.

Your Committee has amended this measure by:

- (1) Replacing references to the term "electronic cigarettes" with the term "electronic smoking devices";
- (2) Defining "electronic smoking device"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 802, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 802, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 587 Judiciary and Labor on S.B. No. 226

The purpose and intent of this measure is to:

- (1) Add the definition of “business day” to the offense of abuse of family or household members; and
- (2) Repeal the forty-eight hour no contact provision and specify that the period of separation that a police officer shall order for the person whom the police officer reasonably believes to have inflicted the abuse of a family or household member commences when the order is issued and expires at 6:00 p.m. on the second business day following the day the order was issued.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, County of Maui and three individuals.

Your Committee finds that the intent of the forty-eight hour period of separation in cases of actual or probable family or household abuse is to keep the abuser or potential abuser away from the victim and give the victim time to get a restraining order and find a safe shelter. However, under existing law, when the abuse occurs at certain times or on certain days, the victim does not receive the benefit of the forty-eight hour separation period or does not have sufficient time to obtain a restraining order or shelter because government agencies and many private organizations are closed on weekends and holidays. This measure will give abuse victims additional time to get help and legal protection by extending the period of separation that a police officer shall order under specified circumstances.

Your Committee has amended this measure by:

- (1) Adding language to clarify that the day the no contact order is issued by the police officer shall not be included in the computation of the two business days during which the period of separation is effective; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 226, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 226, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 588 Judiciary and Labor on S.B. No. 269

The purpose and intent of this measure is to establish the process and grounds for a person to petition the court to vacate a conviction of violating a state or county law relating to obstructing or occupying a public place on grounds that the person was homeless at the time of committing the offense.

Your Committee received testimony in support of this measure from The Pacific Alliance to Stop Slavery, IMUAlliance, and eighteen individuals.

Your Committee finds that this measure allows homeless persons to vacate their convictions of violating a state or county law relating to obstructing or occupying a public place to prevent their criminal records from becoming barriers to employment, housing, or other opportunities.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 269, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 269, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 589 Judiciary and Labor on S.B. No. 283

The purpose and intent of this measure is to clarify the qualification and term limit requirements for the Board of Directors of the Hawaii Tourism Authority. Specifically, this measure:

- (1) Repeals the at-large appointment of members to the board;
- (2) Replaces the qualifications of knowledge, experience, and expertise in visitor industry management, marketing, and promotion with knowledge, experience, and expertise in accommodations for at least six members;
- (3) Clarifies that only one, rather than at least one, member who is appointed by the Governor to have knowledge, experience, and expertise in the area of Hawaiian cultural practices;
- (4) Requires the Governor to notify the President of the Senate and Speaker of the House of Representatives of any unfulfilled member qualification requirements and requires the President of the Senate and Speaker of the House of Representatives to submit nominees who fulfill those requirements;
- (5) Clarifies that membership on the board shall not exceed eight consecutive years;
- (6) Exempts from section 26-34, Hawaii Revised Statutes (HRS), the requirement that each member hold office until the member’s successor is appointed and qualified; and

- (7) Repeals the applicability of section 26-34, HRS, as it relates to the number of terms and consecutive number of years a member may serve on the board.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority.

Your Committee finds that this measure clarifies ambiguities in section 201B-2, HRS, with regard to the qualification and term limit requirements for the Board of Directors of the Hawaii Tourism Authority. Your Committee further finds that the term “accommodations”, as used in the tourism industry, embraces the management, promotion, and marketing of facilities and that the use of this term in the statute is more appropriate.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 283, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 283, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 590 Judiciary and Labor on S.B. No. 473

The purpose and intent of this measure is to:

- (1) Authorize the Department of the Attorney General to develop and implement a state program to allow active and retired law enforcement officers to carry a concealed firearm in Hawaii pursuant to the federal Law Enforcement Officers Safety Act of 2004, as amended (LEOSA); and
- (2) Make a conforming amendment to the state license to carry law.

Your Committee received testimony in support of this measure from the Department of the Attorney General and seven individuals. Your Committee received testimony in opposition to this measure from the Institute for Rational and Evidence-based Legislation and twenty individuals. Your Committee received comments on this measure from the Hawaii Rifle Association and six individuals.

Your Committee finds that the LEOSA affords active and retired law enforcement officers, including former officers who have separated after serving as law enforcement officers for ten years or more and certain military employees, the privilege of carrying a concealed firearm across state lines. However, varying state approaches to implementation have hindered the consistent and effective operation of the federal law, especially with respect to qualified retired law enforcement officers. Currently, Hawaii has not established firearm qualification standards for qualified retired law enforcement officers residing in the State or a statutory framework to uniformly permit active and qualified retired law enforcement officers to carry a concealed weapon in Hawaii. Implementation of this measure allows the Department of the Attorney General to develop and establish a consistent and effective operation of the LEOSA.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 473, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 473, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 591 Water and Land on S.B. No. 434

The purpose and intent of this measure is to update the State’s agricultural planning statute to add the growth and development of traditional Hawaiian farming systems and traditional Hawaiian crops, as well as the growth and development of small-scale farms, as agricultural objectives of the State.

Your Committee received testimony in support of this measure from the Department of Agriculture; Office of Hawaiian Affairs; Taro Security and Purity Task Force; College of Tropical Agriculture and Human Resources of the University of Hawai‘i at Mānoa; Hawai‘i Green Growth; King Kamehameha Hawaiian Civic Clubs; Association of Hawaiian Civic Clubs; Kua‘aina Ulu ‘Auamo; Kalihi Palama Hawaiian Civic Club; Hawaii Farm to School and School Garden Hui; Land Use Research Foundation of Hawaii; and twenty-eight individuals. Your Committee received comments on this measure from two individuals.

Article XI, section 3, of the Constitution of the State of Hawai‘i requires the Legislature to provide standards and criteria to increase Hawai‘i’s agricultural self-sufficiency.

Your Committee finds that prioritizing traditional agricultural techniques such as traditional Hawaiian farming is increasingly viewed as good policy. The United Nations Commission on Trade and Development urges nation states to support the development of sustainable small-scale farms and traditional farming systems to achieve food security, particularly in light of climate change. Supporting traditional farming is also consistent with the recommendations of the Taro Security and Purity Task Force’s 2010 legislative report *E ola hou ke kalo; ho‘i hou ka ‘āina lē‘ia: The taro lives; abundance returns to the land*. The report emphasizes the need to invest in traditional farming and crops to perpetuate culture and to support disaster preparedness and food security in our islands.

Your Committee supports the practice of traditional Hawaiian farming as a means to promote Hawaii's agricultural self-sufficiency. Your Committee also finds that traditional Hawaiian farming systems still play a critical role in Hawai'i and should be encouraged in order to promote greater self-sufficiency, crop diversity, and food security. Moreover, traditional Hawaiian crops like kalo, 'uala (sweet potato), limu (various seaweeds), 'awa, hō'i'o (large native fern), and 'olena (turmeric) that were cultivated using these traditional Hawaiian farming techniques continue to be important agricultural products for food, medicine, and cultural practices today.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 434, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 434, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 592 Judiciary and Labor on S.B. No. 533

The purpose and intent of this measure is to:

- (1) Provide the news media, under the supervision of emergency management personnel, reasonable access to areas that are closed pursuant to emergency management powers of the Governor or Mayor;
- (2) Indemnify the State and counties from any damage or injury to a person or property as a result of any news media entering an area closed pursuant to emergency management powers of the Governor or Mayor; and
- (3) Designate a pool writer, pool photographer, and pool videographer to gather and disseminate information when full access to the area closed pursuant to emergency management powers of the Governor or Mayor cannot be reasonably granted.

Your Committee received testimony in support of this measure from four individuals. Your Committee received testimony in opposition to this measure from the Department of Defense and Hawaii Emergency Management Agency of the Department of Defense.

Your Committee finds that there have been significant events in the State that have affected the State's residents. The recent lava flow on the Big Island impacted many residents, but the news media was restricted from accessing areas that were closed pursuant to emergency management powers. As a result, the news media was unable to disseminate complete information to affected residents. This measure will allow for public safety while safely providing the news media with access to closed areas.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 533, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 593 Judiciary and Labor on S.B. No. 1009

The purpose and intent of this measure is to require that hotels notify customers that portage service charges are being used for other purposes unless they are distributed in full to employees as tip income.

Prior to voting on this measure, your Committee reviewed and considered testimony in support of S.B. No. 1009 that was submitted on time to your Committee on Tourism and International Affairs by UNITE HERE Local 5 and ILWU Local 142.

Your Committee finds that there should be transparency to consumers with regard to whether the money they pay to hotels as portage service charges are being paid to employees. Such transparency will allow the consumer to know whether the portage service charges they are paying are actually being paid to employees as tip income, or whether the hotel is keeping the money for itself to use for other purposes.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1009, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 594 Commerce and Consumer Protection on S.B. No. 743

The purpose and intent of this measure is to require an activity desk to designate a fiduciary when the activity desk terminates its business, notify the Department of Commerce and Consumer Affairs of the designation, and file monthly reports with the Department of Commerce and Consumer Affairs.

Your Committee received testimony in support of this measure from the Activities & Attractions Association of Hawaii; Lahaina Cruise Company, Inc.; Valley Isle Excursions, Inc.; Skyline Eco-Adventures, LLC; Ocean Tourism Coalition; and four individuals. Your Committee received testimony in opposition to this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that activity desks are intermediaries, such as concierges, wholesalers, or resellers, who sell activities offered by an activity provider. Although existing law imposes criminal penalties for individuals who violate certain provisions of chapter 468M, Hawaii Revised Statutes, relating to activity providers and activity desks, the law does not require an activity desk to designate a fiduciary to be in charge of the client trust account. This lack of a fiduciary tether has enabled some activity desks to use shell

corporations as a means of avoiding required client trust funding requirements. Later, these same activity desks close their doors, empty their client trust accounts, and leave behind customers with worthless tickets and activity providers with services rendered and no means to collect. This measure proposes to make a corporate officer of an activity desk the fiduciary in charge when the activity desk terminates its business.

Your Committee has heard the concerns that the amendment to the definition of "activity desk", as proposed by this measure, is inconsistent with the unamended language in the definition. Your Committee has also heard the concerns regarding requiring a corporate officer to be the fiduciary.

In response to these concerns, your Committee notes that the Regulated Industries Complaints Office and the Activities and Attractions Association of Hawaii compromised on language to protect activity providers and consumers, by creating a fiduciary requirement for activity desks and ensuring that existing criminal penalties under chapter 468M, Hawaii Revised Statutes, would be applicable. Amendments to this measure are therefore necessary to reflect this consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required an activity desk to designate a fiduciary when the activity desk terminates its business, notify the Department of Commerce and Consumer Affairs of the designation, and file monthly reports with the Department of Commerce and Consumer Affairs;
- (2) Requiring an activity desk to designate an individual, officer, director, member, or manager who shall be a signatory on and fully responsible for the client trust account;
- (3) Specifying responsibilities of the designated signatory and requiring the activity desk to notify the Director of Commerce and Consumer Affairs in writing within ten days of any change in the designated signatory;
- (4) Amending existing criminal penalties under chapter 468M, Hawaii Revised Statutes, to include violations of the signatory requirements for activity desks; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 743, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 743, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 595 (Joint) Human Services and Housing and Public Safety, Intergovernmental and Military Affairs on S.B. No. 913

The purpose and intent of this measure is to require the Department of Public Safety to collect data on the number of incoming offenders into the state correctional system who are parents and the number of children they have that are under the age of eighteen.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Blueprint for Change, Adult Friends for Youth, Aha Moku Advisory Committee, Association of Hawaiian Civic Clubs, Community Alliance on Prisons, Family Programs Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Youth Services Network, Kalihi Palama Hawaiian Civic Club, King Kamehameha Hawaiian Civic Club, Interfaith Alliance Hawaii, Alii Pauahi Hawaiian Civic Club, Keiki O Ka Aina, and thirteen individuals. Your Committees received comments on this measure from the Department of Public Safety and Department of Education.

Your Committees find that there is a gap in services for children in Hawaii who have an incarcerated parent. Nationwide, it is estimated that 2,700,000 children have at least one parent that is incarcerated. Studies show that children with incarcerated parents suffer from emotional distress, developmental challenges, poor academic performance, aggressive behavior, and truancy. Even more troublesome is the evidence that children with incarcerated parents are much more likely to continue the cycle of incarceration and enter the criminal justice system themselves. Your Committees further find that funding is needed to provide services for children with incarcerated parents, but that first the State needs the data to justify the extent of the problem in Hawaii so that service providers can access federal funding.

Your Committees have amended this measure by:

- (1) Inserting language to expand the scope of information that the Department of Public Safety shall collect from incarcerated parents in order to facilitate services for incarcerated parents and their children; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 913, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 913, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).
Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 596 Judiciary and Labor on S.B. No. 148

The purpose and intent of this measure is to include gambling among the types of offenses that are subject to the nuisance abatement laws.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawaii; and Police Department, City and County of Honolulu.

Your Committee finds that illegal gambling establishments can generate a large volume of cash and lead to neighborhood and community nuisances by becoming a haven for organized crime. This measure will supplement existing police efforts by providing an additional tool to remedy illegal activity at specific buildings, premises, or places within the State.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 148, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 148, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 597 Judiciary and Labor on S.B. No. 202

The purpose and intent of this measure is to amend the reporting requirements of noncandidate committees to include an identification of a ballot issue being advocated for or against.

Your Committee received testimony in support of this measure from three individuals. Your Committee received comments on this measure from the Department of the Attorney General and Campaign Spending Commission.

Your Committee finds that this measure adds an additional level of disclosure to the campaign finance laws to assist voters to “follow the money” and allow voters to determine the individuals, organizations, or businesses seeking to influence their votes.

Your Committee notes the recent heightened public interest in various ballot issues and the organizations that expend substantial sums of money in active support of or opposition to these ballot issues. It is the intent of your Committee to strengthen public confidence in the elections process with respect to ballot issues by creating the explicit additional level of disclosure proposed in this measure.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Department of the Attorney General that amends the definition of “electioneering communications” to include that such communications refer to a clearly identifiable ballot issue;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 202, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 202, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 598 Judiciary and Labor on S.B. No. 440

The purpose and intent of this measure is to amend the procedures for nominating and electing a United States senator to complete an unexpired term when a vacancy occurs to comply with the Uniform Military and Overseas Voters Act.

Your Committee received testimony in support of this measure from the Office of Elections. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that existing law provides that when a vacancy occurs in the Office of United States Senator, the vacancy is required to be filled for the unexpired term at the following state general election, provided that the vacancy occurs no later than the sixtieth day prior to the primary election. However, if a vacancy occurs on or after the sixtieth day prior to a primary election, the printing of ballots containing the names of the candidates cannot be completed for a statewide contest prior to the forty-five day deadline for overseas and military voters in accordance with state and federal law. This measure amends the date of the vacancy to no later than the fifteenth working day prior to the closing date for the filing of nomination papers for the primary election, which is 4:30 p.m. on the first Tuesday of June, to comply with the deadline for mailing the overseas and military ballots.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General to change the language from the fifteenth working day to the twenty-first day prior to the closing date for the filing of nomination papers for the primary election; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 440, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 440, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 599 Judiciary and Labor on S.B. No. 465

The purpose and intent of this measure is to amend the Sunshine Law to expressly allow certain government records to be shared among public board members where no commitment relating to a vote on the matter is made or sought.

Your Committee received testimony in support of this measure from four individuals. Your Committee received testimony in opposition to this measure from the League of Women Voters of Hawaii. Your Committee received comments on this measure from the Office of Information Practices, The Civil Beat Law Center for the Public Interest, and one individual.

Your Committee finds that the Hawaii Supreme Court held in Kanahale v. Maui County Council, 130 Hawaii 228 (2013), that memoranda circulated among members of a public board subject to the Sunshine Law were not permitted interactions under section 92-2.5, Hawaii Revised Statutes. As a result, public board members are prevented from transmitting government records to each other related to board business. This measure includes such memoranda as a permitted interaction between public board members as long as the memoranda do not include a commitment to vote on a matter to be considered by the board or request for a commitment.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Information Practices to require that the transmittal does not include any additional discussion other than a statement describing the government record and the issue related to the government record being circulated among public board members;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 465, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 465, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 600 Judiciary and Labor on S.B. No. 475

The purpose and intent of this measure is to:

- (1) Add emergency meetings to the public meeting notice requirements;
- (2) Require a board to file the notice in the Office of the Lieutenant Governor and post notice on the electronic calendar on the State's or appropriate county's internet website no less than six calendar days before the meeting;
- (3) Require that if there is a dispute as to whether a notice was timely posted on an electronic calendar maintained by the State or county, a printout of the electronic time-stamped agenda shall be conclusive evidence of the electronic posting date; and
- (4) Require that a board maintain a list of names and postal or electronic mail addresses of persons who request notification of meetings and mail or electronically mail a copy of the notice to such persons.

Your Committee received testimony in support of this measure from the Office of Information Practices; The Civil Beat Law Center for the Public Trust; Common Cause Hawaii; League of Women Voters of Hawaii; Society of Professional Journalists, Hawaii Chapter; Animal Rights Hawaii; and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that this measure updates the open meetings law by recognizing and incorporating modern communication technologies, including the Internet and electronic mail. However, your Committee notes the concerns raised in written testimony that modern forms of communication technologies may reduce transparency for individuals with disabilities and a class of people who do not have access to the Internet.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Information Practices to reinstate language that requires the notice to be posted at the site of the meeting whenever feasible;
- (2) Inserting language to allow a person, upon request, to continue to receive a copy of the notice via postal mail rather than electronic mail;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 475, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 475, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 601 Government Operations on S.B. No. 1183

The purpose and intent of this measure is to recognize the importance of the ʻōpeʻapeʻa to the State of Hawaii and raise awareness of the ʻōpeʻapeʻa as an endangered species and uniquely Hawaiian land mammal by designating the ʻōpeʻapeʻa as the official land mammal of the State.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Humane Society of the United States-Hawaii, The Nature Conservancy, and five individuals. Your Committee received comments on this measure from Bat Conservation International and one individual.

Your Committee finds that the ʻōpeʻapeʻa is the only land mammal native to the Hawaiian Islands. The ʻōpeʻapeʻa is a unique and resilient animal that is well-suited to represent Hawaii. Recognizing the ʻōpeʻapeʻa, which roosts in trees, will do much to remind us of our reliance upon, and responsibility toward, our environment and natural and cultural resources.

Your Committee has amended this measure by:

- (1) Clarifying that the ʻōpeʻapeʻa was listed as endangered under the Federal Endangered Species Act and the State of Hawaii's Endangered Species List on October 13, 1970; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1183, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1183, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 602 Government Operations on S.B. No. 1064

The purpose and intent of this measure is to provide an effective procurement process for situations where a review committee is unable to send three or more qualified persons' submittals to provide professional services to the head of the purchasing agency pursuant to section 103D-304, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the State Procurement Office, Department of Budget and Fiscal Services of the City and County of Honolulu, and Finance Department of the County of Hawaii. Your Committee received testimony in opposition to this measure from the American Institute of Architects Hawaii State Council; Nanea Studios Inc.; Miyashiro and Associates, Inc.; American Council of Engineering Companies of Hawaii; Fukunaga & Associates, Inc.; The Limtiaco Consulting Group, Inc.; Bow Engineering & Development, Inc.; Shigemura, Lau, Sakanashi, Higuchi, and Associates, Inc.; Gray, Hong, Nojima, & Associates, Inc.; WSP Hawaii, Inc.; Thermal Engineering Corporation; Pacific Geotechnical Engineers, Inc.; Kukulu, LLC; Henniger & Henniger, Inc.; Fung Associates, Inc.; Maunakai and Associates; and four individuals.

Your Committee finds that this measure is necessary to provide a process for a procurement to proceed where fewer than three qualified persons are available to be sent to the head of the purchasing agency for contract negotiations. Prior to the February 2014 Hawaii Supreme Court ruling in *Asato v. Procurement Policy Board*, No. SCAP-12-0000789 (Haw. Feb. 14, 2014), administrative rules established by the Procurement Policy Board governed the procurement process where fewer than three qualified persons are available to be sent to the head of the purchasing agency for contract negotiations. The *Asato* decision struck down the administrative rules because they were less restrictive than the statute. This measure addresses that problem by specifically authorizing the Procurement Policy Board to establish administrative rules to guide procurements where fewer than three qualified persons are available to proceed to the head of the purchasing agency for contract negotiations.

Your Committee has amended this measure by:

- (1) Removing the authorization for the head of the purchasing agency to proceed with fewer than three qualified persons in accordance with administrative rules adopted by the Procurement Policy Board;
- (2) Reinstating the requirement to rank persons based on selection criteria;
- (3) Specifying that in cases where fewer than three qualified persons can be sent to the head of the purchasing agency, a request for an alternative procurement may be made to the chief procurement officer in accordance with administrative rules adopted by the Procurement Policy Board; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1064, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1064, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 603 Judiciary and Labor on S.B. No. 652

The purpose and intent of this measure is to require a public board to report any final action taken during an executive meeting, provided that such disclosure is not inconsistent with the purpose of convening the executive meeting and confidentiality is maintained.

Your Committee received testimony in support of this measure from the Office of Information Practices. Your Committee received comments on this measure from The Civil Beat Law Center for the Public Interest.

Your Committee finds that Sunshine Law does not require a public board to publicly announce a vote or elaborate on any discussion deliberated upon in executive session. However, while some boards voluntarily choose to publicly announce the action taken in executive session, other boards are reluctant to divulge any information about executive sessions. This measure provides an opportunity for members of the public to learn of a board's discussion or final action taken in an executive session within the parameters of chapter 92, Hawaii Revised Statutes, while also adhering to issues of confidentiality.

Your Committee has amended this measure by:

- (1) Inserting board discussion in addition to final action taken by the board in an executive session; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 652, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 652, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 604 Judiciary and Labor on S.B. No. 654

The purpose and intent of this measure is to amend the provisions relating to anonymous contributions by reducing the threshold amount a candidate may receive from ten or more persons at the same political function from \$500 to \$100.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii.

Your Committee finds that this measure impacts the threshold amount of anonymous contributions from ten or more persons at a fundraiser, which is a limited exception to the rule that generally prohibits anonymous contributions. A reduction in the threshold amount will result in such contributions being listed in disclosure reports for monetary and non-monetary contributions of \$100 or less rather than the Schedule A reports.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 654, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 605 Judiciary and Labor on S.B. No. 1116

The purpose and intent of this measure is to create consistency within the Hawaii Revised Statutes to ensure that the Hawaii State Hospital receives copies of court ordered examination reports upon commitment to the hospital.

Your Committee received testimony in support of this measure from the Department of Health.

Your Committee finds that court ordered examination reports provide treatment teams at the Hawaii State Hospital with specific information for treatment focus, planning, and assessment, and management of risk. Under the existing unfit to proceed law, the Department of Health is required to receive the order of commitment accompanied by copies of the court ordered examination papers regarding the physical and mental condition of the defendant. However, under the existing acquit and commitment law, the Department is required to receive only the court order, but not copies of the court examination papers. This measure creates consistency between the laws pertaining to unfit to proceed and acquit and commitment so that the Hawaii State Hospital receives the court order examination reports.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1116, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1116, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 606 Judiciary and Labor on S.B. No. 508

The purpose and intent of this measure is to require noncandidate committee preliminary reports to be filed on October 1 of a general election year rather than ten days prior to the general election.

Your Committee received testimony in support of this measure from Common Cause Hawaii and two individuals. Your Committee received comments on this measure from the Campaign Spending Commission.

Your Committee finds that existing law requires noncandidate committees to file preliminary reports ten days prior to the general election. However, with the increased use of absentee voting, including mail-in absentee ballots that are cast well before the ten day filing deadline, voters do not have access to the amount of money noncandidate committees spend on ballot initiatives or opposing or

supporting candidates. This measure educates voters by requiring an earlier filing deadline for preliminary reports that disclose noncandidate committee expenditures.

Your Committee notes the written testimony received by Common Cause Hawaii that campaign spending by noncandidate committees increases just days prior to the general election. Thus, without retaining the filing deadline of ten calendar days prior to the general election, no public disclosure of campaign spending by noncandidate committees will be available between October 1 and a date well after the general election. As such, your Committee believes that adding the October 1 filing deadline date to section 11-336, Hawaii Revised Statutes, as a new reporting requirement rather than as a replacement to the filing deadline of ten calendar days prior to the general election will provide better transparency regarding noncandidate committee campaign spending.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by Common Cause Hawaii to reinstate the preliminary report filing deadline of ten calendar days prior to the general election, so that the October 1 filing deadline will be in addition to the filing deadline of ten calendar days prior to the general election;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 508, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 508, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 607 Judiciary and Labor on S.B. No. 509

The purpose and intent of this measure is to:

- (1) Require the Attorney General to prepare a statement for each proposed constitutional amendment in plain English that indicates the purpose, limitations, and effects of the proposed amendment;
- (2) Require the Attorney General to distribute each statement to the Office of Elections and all county clerks for further distribution; and
- (3) Require the Office of Elections and county clerks to make each statement available to the public in all physical or online sites where they make proposed constitutional amendment questions available to the public.

Your Committee received testimony in support of this measure from the League of Women Voters, Common Cause Hawaii, and three individuals.

Your Committee finds that there are voters who fail to vote on proposed constitutional amendments because they are unaware of the proposed constitutional amendments or do not understand the meaning, purpose, or impact of the proposed constitutional amendments. This measure will assist in voter education efforts and help voters better understand the proposed constitutional amendments and gain a higher comfort level when voting on those ballot questions.

Your Committee has amended this measure by inserting an effective date of January 7, 2059.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 509, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 608 Judiciary and Labor on S.B. No. 514

The purpose and intent of this measure is to establish a class C felony for theft of personal electronic devices that has the capability to store or retrieve personal information.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; and one individual. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments on this measure from one individual.

Your Committee finds that personal electronic devices store personal and sensitive information and data that exceed the monetary value of the devices. Furthermore, the monetary valuation of personal electronic devices can be problematic because these devices rapidly lose their monetary value as new technology is released. This measure eliminates the difficulty of setting a monetary value for personal electronic devices by establishing a class C felony for the theft of any personal electronic device.

Your Committee notes the concerns raised by the Departments of the Prosecuting Attorney of the City and County of Honolulu and County of Maui in their respective testimony.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General which:

(A) Clarifies that the offense of theft in the second degree includes theft of any personal electronic device rather than any computer capable of storing or retrieving personal information; and

(B) Adds a definition of “personal electronic device”; and

(2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 514, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 514, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 609 (Majority) Judiciary and Labor on S.B. No. 569

The purpose and intent of this measure is to increase the threshold value of property or services from \$300 to \$400 under the offense of theft in the second degree.

Your Committee received testimony in support of this measure from the Office of the Public Defender and Community Alliance on Prisons. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Hawaii Food Industry Association; and one individual.

Your Committee finds that the last time the threshold value of property or services under the offense of theft in the second degree was increased was 1986, and the prices of consumer items have steadily increased since then. This measure updates the threshold value of property under the offense of theft in the second degree to better reflect the rise in prices of consumer items.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 569, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 569, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 610 Judiciary and Labor on S.B. No. 779

The purpose and intent of this measure is to raise the District Court’s jurisdictional limit for civil actions involving specific performance.

Your Committee received testimony in support of this measure from the Collection Law Section of the Hawaii State Bar Association.

Your Committee finds that this measure corrects an inconsistency under section 604-5, Hawaii Revised Statutes, to align the District Court’s jurisdictional limit for civil actions involving specific performance with the District Court’s overall jurisdictional limit of \$40,000 for civil actions.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 779 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 611 Government Operations on S.B. No. 1363

The purpose and intent of this measure is to designate the official ‘auana and kahiko musical instruments of the State in accordance with the results of the November 2014 WeVoteHawaii election in an effort to enthusiastically support Hawaii’s keiki in voting and the democratic process.

Your Committee received testimony in support of this measure from the Center for Hawaiian Sovereignty Studies and three individuals.

Your Committee finds that the ‘ukulele and pahu are vibrant components of Hawaiian culture. The music of Hawaii, as expressed through these instruments, is readily recognizable around the world. The kahiko (traditional) pahu and the ‘auana (modern) ‘ukulele are well-suited to serve as Hawaii’s state instruments.

Your Committee further finds that Hawaii’s students recognized the ‘ukulele and pahu as representative of Hawaiian culture by voting for them in the WeVoteHawaii online election. WeVoteHawaii is a hands-on civic education opportunity that teaches students about voting and democracy. The movement of this measure, born from the WeVoteHawaii election results, will further instruct students on democracy and the legislative process.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1363 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 612 Water and Land on S.C.R. No. 19

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key Number (1)4-1-002:007, Waimanalo, Koolauapoko, Oahu, for the use, maintenance, and repair of a seawall and steps, pursuant to section 171-53, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and two individuals.

Your Committee finds that on September 3, 2014, the Office of Conservation and Coastal Lands of the Department of Land and Natural Resources determined that the seawall was constructed prior to the establishment of the Conservation District in 1964 and indicated its support of an issuance of an easement to resolve the encroachments. On November 14, 2014, under agenda item D-21, the Board of Land and Natural Resources approved a grant of a 55-year non-exclusive easement to resolve the encroachments.

Your Committee has amended this measure by:

- (1) Inserting the correct total area of the encumbrance of state submerged lands as 4,539 square feet, according to the Department of Accounting and General Services; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 19, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 19, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 613 Water and Land on S.B. No. 1124

The purpose and intent of this measure is to clarify that a person at least eighteen years of age need not obtain a marine surveyor's inspection nor provide documentation that the person is the owner of a vessel in order to be placed on a waitlist for a use permit to moor a vessel in a state small boat harbor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Act 10, Session Laws of Hawaii 2014, amended section 200-10(b), Hawaii Revised Statutes, to require that a person must be at least eighteen years of age prior to obtaining a use permit or being placed on a waitlist for a use permit. Your Committee finds that Act 10 amendments have the unintended consequence of requiring that a person at least eighteen years of age obtain a marine surveyor's inspection and provide documentation that the person is the owner of a vessel prior to being placed on the waitlist for a use permit.

Your Committee further finds that the majority of people requesting to be placed on the waitlist do not own a vessel at the time they apply to be placed on a waitlist, since they do not yet have a place to moor the vessel. The fact that the person may not yet have a place to moor the vessel should not impair the ability to be placed on the waitlist.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1124 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 614 Commerce and Consumer Protection on S.B. No. 826

The purpose and intent of this measure is to:

- (1) Establish provisions for condominium association annual meetings and quorum requirements;
- (2) Permit the board of an association to employ and discharge the managing agent of an association, subject to a vote of a majority of the unit owners at an association meeting; and
- (3) Provide an exemption for a condominium project in which a majority of the units have been submitted to one or more vacation plans, or in which one or more units has been submitted to a vacation plan established by the developer of the project or by an affiliate of the developers.

Your Committee received testimony in support of this measure from the Hawaii Community Associations Institute Legislative Action Committee and one individual. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS and thirteen individuals.

Your Committee finds that the bylaws of a condominium provide for an annual meeting. At this meeting, certain required business must be attended to, including adopting a mandatory tax resolution to file the association's income tax and electing or reelecting members to the board of directors. Obtaining quorum may be difficult in certain situations, which can cause problems including failure to file the mandatory tax resolution or holdover board members. Your Committee has heard the concerns about the quorum requirement, as proposed by this measure. Your Committee has also heard the concerns regarding the managing agent provisions of this measure. Your Committee understands these concerns and concludes that amendments to this measure are necessary to address some of the challenges to condominium living that were brought up during testimony before your Committee.

Your Committee further finds that after the public hearing on this measure, interested stakeholders met to discuss consensus language to enhance the effectiveness and efficiency of the self-governance necessary in condominium living. Your Committee notes that, as part of the discussion, the Real Estate Commission and Regulated Industries Complaints Office will be developing a standardized form for written requests for association documents that are required to be provided under certain sections of chapter 514B, Hawaii Revised Statutes. This standardized form will clearly specify the documents condominium owners are entitled to receive and the parameters for receiving them and must be responded to within a set period of time. The form will also assist the Regulated Industries Complaints Office respond to complaints or questions regarding access to or receipt of association documents.

Your Committee is encouraged by discussions among the interested stakeholders and believes the amendments proposed by the stakeholders represent a balanced approach that will benefit condominium owners, boards, and associations. Amendments to this measure are therefore necessary to incorporate the language agreed upon by the interested stakeholders.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that the annual meeting held by an association shall conduct business that includes but is not limited to filing applicable Internal Revenue Service forms and adopting a tax resolution and electing unit owners to the board of directors to fill any position that is expiring or has expired;
- (2) Clarifying that an association may allow two subsequent duly noticed adjourned annual meetings if there is no quorum present at the initial annual meeting and restricting the time between the originally-noticed adjourned annual meeting and the subsequent adjourned annual meeting to no longer than ninety days;
- (3) Permitting a reduced quorum requirement if quorum is not met at the third attempt to obtain quorum at a duly noticed adjourned annual meeting, and specifying the association business to be conducted at this meeting;
- (4) Clarifying the ability of a majority of unit owners to terminate a managing agent's contract at an association meeting;
- (5) Clarifying other circumstances in which a managing agent's contract may be terminated;
- (6) Clarifying exemptions to the managing agent contract provisions established by this measure;
- (7) Requiring association meetings to be held at a location convenient and easily accessible to a majority of condominium unit owners;
- (8) Requiring a condominium association with fifty or more units to prepare its budget on an accrual basis in accordance with generally accepted accounting principles;
- (9) Requiring the use of standardized forms prescribed or approved by the Real Estate Commission for the condominium unit owner's request for records and the association's response to the request for records;
- (10) Inserting a purpose section, savings clause, and severability clause;
- (11) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 826, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 826, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 615 Commerce and Consumer Protection on S.B. No. 14

The purpose and intent of this measure is to amend the residential landlord-tenant code to allow the security deposit to be used for unpaid charges, penalties, and fees that were agreed to by the landlord and tenant pursuant to the rental agreement.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS. Your Committee received testimony in opposition to this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs.

Your Committee finds that security deposits can help ensure tenants will timely pay their rent and maintain their rental property in an appropriate manner. This measure enables a landlord to use a security deposit for unpaid charges, penalties, and fees that were agreed to by the landlord and tenant pursuant to the rental agreement.

However, your Committee has heard the concerns that this measure as written is vague and could potentially lead to abuses of tenants' rights. According to testimony from the Office of Consumer Protection, the policy behind the security deposit provision in the State's landlord-tenant code is to provide all parties to a rental agreement clear guidance as to what the law requires, including the right for a landlord to receive compensation from a tenant for specific reasons. Your Committee understands that amending the security deposit provisions of the landlord-tenant code to include any charges, penalties, or fees owed could result in detrimental unequal bargaining positions between landlords and tenants during the execution of a rental agreement.

Your Committee has also heard the testimony that the intent behind this measure was to offer a solution to landlords who rent their property to tenants who then take on obligations, such as sewer, water, and electricity expenses, that, if unpaid, could affect the property.

In response to these concerns, your Committee notes that the Office of Consumer Protection and the Hawai'i Association of REALTORS worked together on compromise language to narrow the focus of this measure and allow a security deposit to be used for

specific unpaid charges when a tenant moves out, including unpaid utilities that were the obligation of the tenant but were paid by the landlord. Amendments to this measure are therefore necessary to reflect this consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Adding a definition for “utility service”;
- (2) Deleting language that would have allowed the security deposit to be used for unpaid charges, penalties, and fees that were agreed to by the landlord and tenant pursuant to the rental agreement;
- (3) Permitting the security deposit to be used for replacing keys, including key fobs, parking cards, garage door openers, and mail box keys;
- (4) Permitting the security deposit to be used to pay for utility service provided by the landlord under the rental agreement but not included in the rent;
- (5) Updating the purpose section to reflect the amended purpose of this measure; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 14, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 14, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 616 Commerce and Consumer Protection on S.B. No. 662

The purpose and intent of this measure is to:

- (1) Require shippers to notify the county fire chief as to where fireworks shipments imported into the State or between counties are to be distributed;
- (2) Define the term “redistribution” to clarify shipment notification requirements;
- (3) Create two exceptions to the fireworks prohibitions for film or movie productions and for those authorized to dispose of or test consumer fireworks; and
- (4) Clarify that labels on certain fireworks shall be at least nine square inches.

Your Committee received testimony in support of this measure from the State Fire Council, Honolulu Fire Department, Maui County Fire Department, Hawaii County Fire Department, and two individuals.

Your Committee finds that transporting fireworks to, from, and within the State requires the use of multiple methods of interstate and intrastate transportation. To ensure the health and safety of the community and the State’s first responders, the importation of fireworks shipments must be thoroughly accounted for and reported. However, under the existing law, there are no notification requirements for those transporting fireworks. This measure is therefore necessary to clarify shippers’ responsibilities and notification requirements and authorize the use of fireworks in certain circumstances.

Your Committee has amended this measure by:

- (1) Clarifying that shippers are required to notify the fire chief of a destination county prior to shipment as to where fireworks shipments imported into the State or between counties are to be distributed and from where they are to be distributed;
- (2) Clarifying that one of the exceptions to the fireworks prohibitions is for film or movie productions with a valid permit issued by a county fire department; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 662, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 662, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahale, Kidani, Taniguchi).

SCRep. 617 Commerce and Consumer Protection on S.B. No. 757

The purpose and intent of this measure is to prohibit the use of electronic smoking devices in places where smoking is already prohibited and update signage requirements to reflect the new prohibition.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Health Systems Corporation, American Heart Association, American Lung Association of the Mountain Pacific, American Cancer Society Action Network, Coalition for a Tobacco-Free Hawai‘i, University of Hawai‘i Cancer Center, University of Hawai‘i at Manoa Student Health Advisory Council, and forty individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance, PC Gamerz, 808 Smokes, and ten individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that electronic smoking devices have become increasingly prevalent and widely available since their introduction into the United States market. However, since electronic smoking devices are a relatively new product, their health effects

have yet to be thoroughly researched. Serious questions also remain about the safety of inhaling substances in an electronic smoking device. Your Committee further finds that electronic smoking devices produce an aerosol that is not merely water vapor. According to testimony received by your Committee, studies have found that the aerosol produced by electronic smoking devices may contain carcinogens, such as formaldehyde, acetaldehyde, lead, nickel, chromium, and other hazardous substances cited by the Agency for Toxic Substances and Disease Registry, which are associated with a wide range of negative health effects.

Your Committee additionally finds that the use of electronic smoking devices in traditionally smoke-free areas causes confusion in the enforcement of smoke-free laws, creates distractions in work environments, and renormalizes smoking behavior. This measure prohibits the use of electronic smoking devices in enclosed or partially enclosed places where smoking is prohibited, which will reduce the likelihood of nonuser exposure to potentially harmful chemicals in electronic smoking devices and help ensure compliance with existing smoking regulations.

Your Committee notes the concerns raised by the Department of the Attorney General in testimony. Your Committee concludes that amendments to this measure are therefore necessary to incorporate definitions suggested by the Department of Health that have been approved by the Attorney General and to delete the definition of “tobacco product”, thereby addressing the constitutional title concerns raised by the Department of the Attorney General.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the definitions of “electronic smoking device” and “smoke” or “smoking”;
- (2) Deleting the definition of “tobacco product”; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 757, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 618 Commerce and Consumer Protection on S.B. No. 233

The purpose and intent of this measure is to authorize the respective county directors of finance to enter into contracts with car dealerships and motor vehicle rental companies to register used motor vehicles.

Your Committee received testimony in support of this measure from the Hawaii Automobile Dealers Association.

Your Committee finds that currently, the registration of used motor vehicles or previously owned vehicles is the responsibility of the individual buyer, whereas the registration of new motor vehicles is commonly undertaken by the dealership under contracts with the respective county directors of finance. This measure enables the county directors of finance to enter into contracts with car dealerships and motor vehicle rental companies to register used motor vehicles, which will help modernize the motor vehicle registration process throughout the State.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 233, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 233, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Kidani, Taniguchi).

SCRep. 619 Commerce and Consumer Protection on S.B. No. 16

The purpose and intent of this measure is to:

- (1) Provide definitions of “hooked up”, “scene”, and “vehicle owner” to clarify when a vehicle must be released by a towing company;
- (2) Permit a towing charge of \$30 for difficult hookups; and
- (3) Require a date and time stamped photograph of the hooked up vehicle, showing the license plate of the vehicle, when the owner appears on the scene, as evidence that the vehicle is hooked up.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, Honolulu Police Department, and two individuals. Your Committee received testimony in opposition to this measure from Honolulu Towing, Inc. Your Committee received comments on this measure from Waialae Towing and one individual.

Your Committee finds that existing law is in need of clarification regarding when a “hookup” of a vehicle by a towing company occurs, what constitutes the “scene” from which a tow is initiated, and who is the “vehicle owner” entitled to have the vehicle released from the towing company. The definitions proposed by this measure are intended to clarify the rights of vehicle owners and the duties of tow companies, which should diminish the number of disputes related to towing practices under section 290-11, Hawaii Revised Statutes.

However, your Committee notes the concern raised by the Office of Consumer Protection that the proposed definition of “scene” is ambiguous and overly restrictive. The Office of Consumer Protection noted in testimony that “scene” includes a radius of four feet

from where the vehicle is parked, which would mean that a person standing less than a car length away from a vehicle would be unable to request that a tow operator drop the tow. Amendments are therefore necessary to incorporate the suggestions offered by the Office of Consumer Protection, which will help prevent future disputes regarding the application of the requirement to drop a vehicle without a fee when a vehicle owner arrives on the scene.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the definition of “scene” includes a radius of fifty feet around the vehicle in certain circumstances, for purposes of a tow truck hooking up a vehicle;
- (2) Specifying that if a vehicle is hooked up, outside of the scene, and the tow operator is in motion, there is no obligation on the part of the towing company to drop the tow and release the vehicle to the vehicle owner; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 16, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 16, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Kahele, Kidani, Taniguchi).

SCRep. 620 Commerce and Consumer Protection on S.B. No. 1368

The purpose and intent of this measure is to prohibit the sale of liquor at street closure events, except under certain conditions.

Your Committee received testimony in support of this measure from the Chinatown Gateway Plaza Tenant Association and one individual. Your Committee received testimony in opposition to this measure from the Arts District Merchants Association; O’ahu Fringe Festival; Young’s Market Company; The Arts at Marks Garage; Paradise Beverages, Inc.; Kim Taylor Reece Gallery; 4th World Film; T-RX Entertainment, LLC; Mendonca Building; Pearl Wedding Photography; and numerous individuals. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that street closure events, often funded by the sale of liquor, have increased in size and popularity. Although these events have brought in visitors and revenue, concerns have been raised about noise and other impacts on area residents. This measure attempts to address some of the community conflicts that result from sales and consumption of alcohol on public streets and sidewalks during street closure events such as arts and entertainment street festivals by prohibiting the sale of liquor during these events, except under certain conditions. However, your Committee notes that amendments to this measure are necessary to ensure a better balance between the statewide regulation of alcohol sales and street festivals.

Accordingly, your Committee has amended this measure by:

- (1) Requiring liquor sales for street closure events as allowed by this measure to be subject to the same requirements as those applicable to vendors with Class 2 restaurant and Class 5 dispenser licenses; and
- (2) Clarifying the definition of “beer garden”.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1368, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1368, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Kahele, Kidani, Taniguchi).

SCRep. 621 Commerce and Consumer Protection on S.B. No. 735

The purpose and intent of this measure is to, beginning with the July 1, 2017, licensing biennium, require licensed registered nurses and licensed practical nurses to submit evidence of completed continuing competency requirements prior to the renewal of the license.

Your Committee received testimony in support of this measure from the Board of Nursing; Hawai’i State Center for Nursing; Hawaii Medical Association; University of Hawai’i at Manoa, School of Nursing and Dental Hygiene; Straub Clinic and Hospital; Wilcox Memorial Hospital; Pali Momi Medical Center; Kapi’olani Medical Center; Hawai’i Pacific Health; and five individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that nurses are critical to the successful implementation of health care reform in Hawaii. Continuing competency plays a significant role in nursing professionals’ ongoing development and for the betterment of the patients they serve. Your Committee further finds that the Hawai’i State Center for Nursing’s Continuing Education Joint Advisory Committee determined that a continuing competency program, including self-assessment, implementation of a personal learning plan, continuing education, and subsequent reassessment, was preferable to a simple continuing education program. This measure benefits licensed registered nurses, licensed practical nurses, and their patients by requiring completion of continuing competency requirements prior to any application for license renewal, restoration, or reinstatement.

Your Committee notes that certain amendments are necessary to ensure that the Board of Nursing is able to fully implement the continuing competency program proposed by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that each registered nurse and practical nurse licensee shall complete one of the learning activity options for continuing competency purposes, rather than thirty contact hours, which only pertain to the continuing education learning activity;

- (2) Clarifying that licensed practical nurses, in addition to registered nurses, who maintain current national certification may be exempt from the continuing competency requirements;
- (3) Clarifying the modified learning activity options a new nursing program graduate may complete in order to meet the continuing competency requirements;
- (4) Clarifying that a nurse licensee shall complete one of the nursing activity options, rather than a combination of learning activity options, for continued competency purposes;
- (5) Clarifying certain learning activity options, including participation as a preceptor, completion of a nursing research project that is an institution review board project, completion of an evidence-based practice project that has been preapproved by the Board of Nursing, and development and conducting of a nursing education presentation for contact hours of actual organized instruction that qualifies as continuing education; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 735, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 735, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 622 Commerce and Consumer Protection on S.B. No. 114

The purpose and intent of this measure is to require, after January 1, 2016, the continuing education program for dentists to include three hours of ethics training per year.

Your Committee received testimony in support of this measure from the Hawaii Dental Association. Your Committee received comments on this measure from the Board of Dental Examiners.

Your Committee finds that Hawaii's licensed dentists are required to maintain their professional licensure with continuing education classes in order to keep up with current professional standards and procedures. Ethics is an area that is often overlooked in education. Requiring three hours of ethics training each year will maintain the integrity of the dental profession and assure the public that their interests are protected.

Your Committee further finds that chapter 448, Hawaii Revised Statutes, relating to dentistry, does not reference a specific code of ethics for dentists. Including a specific reference to a code of ethics will clarify licensees' obligations and will complement the continuing education ethics training requirements proposed by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that the Board of Dental Examiners may suspend or revoke any license issued under chapter 448, Hawaii Revised Statutes, for conduct or practice contrary to recognized standards of ethics of the profession, as adopted by the American Dental Association or the Hawaii Dental Association; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 114, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 114, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 623 Ways and Means on S.B. No. 511

The purpose and intent of this measure is to authorize the Land Use Commission to vacate, void, modify, or amend a land use district boundary amendment or special permit under chapter 205, Hawaii Revised Statutes, if the Land Use Commission reasonably finds that there has been a failure to substantially conform with the conditions or requirements of the boundary amendment or special permit.

Your Committee received written comments in support of this measure from the Office of Planning, Office of Hawaiian Affairs, and Land Use Commission. Your Committee received written comments in opposition to this measure from the Land Use Research Foundation of Hawaii, the Building Industry Association of Hawaii, and one individual.

Your Committee finds that the Land Use Commission currently lacks the power necessary to enforce conditions and requirements of boundary amendments and special permits. Your Committee believes that this measure affords the Land Use Commission greater authority to ensure that the interests of the State, the counties, and the public are protected.

Your Committee has amended this measure by:

- (1) Changing the effective date from upon approval to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 511, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 511, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 624 Ways and Means on S.B. No. 375

The purpose and intent of this measure is to authorize the growing of industrial hemp and to appropriate funds to the Department of Agriculture to implement the measure.

Specifically, this measure:

- (1) Decriminalizes activities related to industrial hemp;
- (2) Requires growers of industrial hemp to register with the Board of Agriculture to grow only industrial hemp that is on a list of approved seed cultivars; and
- (3) Excludes institutions of higher education and registered seed breeders from the registration requirement.

Your Committee received written comments in support of this measure from the University of Hawaii, ILWU Local 142, Hawaii Farmers Union United, Ai Pohaku, Ilio Lani Farm LLC, Laakea Community LLC, One Island Sustainable Living, Flavor of Hawaii Farms, Green Futures, Waihuena Farm, and one hundred and five individuals. Your Committee received written comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that industrial hemp is a crop that is worthy of consideration for its economic potential.

Your Committee has amended this measure by:

- (1) Correcting the name of an entity to “the Organization for Economic Cooperation and Development”;
- (2) Designating sections 141-1 to 141-10, Hawaii Revised Statutes, as “Part I. General Provisions”;
- (3) Changing the appropriation to an unspecified amount;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 375, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 375, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 625 Judiciary and Labor on S.B. No. 758

The purpose and intent of this measure is to specify means for effecting service of process when personal service is unsuccessful, by:

- (1) Publication three times in a newspaper of general circulation; or
- (2) Publication on a state website together with publication once in a newspaper.

Your Committee received testimony in support of this measure from the Department of the Attorney General and the Collection Law Section of the Hawaii State Bar Association. Your Committee received testimony in opposition to this measure from the Honolulu Star Advertiser. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that with the development of electronic technology, the law should be updated to allow for service of process by publication on the website of the Department of the Attorney General.

Your Committee has amended this measure by:

- (1) Amending the criteria for a newspaper being of general circulation by:
 - (A) Providing that the newspaper has been distributed for a minimum of one year as of the date of first publication of the notice under certain circumstances; and
 - (B) Deleting the requirement that the newspaper be distributed to three percent of the residents of the circuit in which the civil action is filed;
- (2) Providing that service by publication on a state website be on the website of the Department of the Attorney General; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 758, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 758, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 626 Judiciary and Labor on S.B. No. 134

The purpose and intent of this measure is to adopt the Uniform Partition of Heirs Property Act, which establishes procedures and remedies applicable to actions for partition of real property that is heirs property.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation.

Your Committee finds that this Uniform Partition of Heirs Property Act is intended to provide procedures and remedies in partition actions involving real property held in tenancy in common for which there is no binding agreement among the cotenants to govern the partition of the property. Your Committee notes the testimony of the Commission to Promote Uniform Legislation that this measure is intended to provide cotenants with many of the protections and rights commonly found in private agreements governing the partition of real property held by tenants-in-common and that this measure is not intended to replace existing law on partitioning property that is not heirs property.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 134, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 134, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 627 (Joint) Commerce and Consumer Protection and Ways and Means on S.B. No. 1295

The purpose and intent of this measure is to:

- (1) Allow the Department of Business, Economic Development, and Tourism to enter into inter-agency agreements with the Natural Energy Laboratory of Hawaii Authority (NELHA) without entering into a memorandum of agreement or memorandum of understanding; and
- (2) Incentivize the research, development, and commercialization of renewable energy technology in Hawaii by allowing these business activities to qualify a business for incentives under the state enterprise zone program.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Natural Energy Laboratory of Hawaii Authority. Your Committees received comments on this measure from the Department of Taxation.

Your Committees find that this measure makes businesses operating within research and technology parks established by NELHA eligible for the State's enterprise zone program. This measure also broadens the scope of businesses eligible for enterprise zone benefits within NELHA's research and technology park, which will enable NELHA to expand its economic development project and increase the amount of annual state tax revenue generated by the research and technology park.

Your Committees have amended this measure by:

- (1) Amending the definitions of "renewable energy" and "renewable energy technology" to clarify that the special enterprise zone incentives are limited to business activities relating to energy produced by ocean thermal energy conversion, solar, or hydrogen and to business activities relating to technologies including hydrogen research and development;
- (2) Clarifying that a tax credit for renewable energy technology may not be claimed under chapter 235, Hawaii Revised Statutes, if a tax credit is also claimed pursuant to the new section in chapter 227D, Hawaii Revised Statutes, as proposed by this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1295, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1295, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kaele, Nishihara, Taniguchi).

Ways and Means

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, English, Inouye, Ruderman).

SCRep. 628 (Majority) Ways and Means on S.B. No. 1177

The purpose and intent of this measure is to appropriate moneys from the works of art special fund to the Hawaii State Foundation on Culture and the Arts to establish four full-time positions.

Your Committee received written comments in support of this measure from the Hui Noeau Visual Arts Center and eight individuals. Your Committee received written comments on this measure from the Office of the Auditor, Department of Accounting and General Services, State Foundation on Culture and the Arts, and two individuals.

Your Committee finds that the Hawaii State Foundation on Culture and the Arts is responsible for a collection of nearly six thousand three hundred pieces of art and about \$3,000,000 per year in works of art special fund revenues. Your Committee further finds that a recent audit of the Hawaii State Foundation on Culture and the Arts found that it needs to improve its management to

ensure the accountability, accessibility, and protection of these important resources. Accordingly, your Committee finds that this measure will allow the Hawaii State Foundation on Culture and the Arts to address the audit's findings by appropriating moneys to hire four additional staff to help carry out the foundation's mission.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1177, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Galuteria, Riviere).

SCRep. 629 Judiciary and Labor on S.B. No. 1115

The purpose and intent of this measure is to amend the definition of "public buildings, facilities, and sites" under section 103-50, Hawaii Revised Statutes (HRS), to, among other things, exempt from mandatory review by the Disability and Communication Access Board certain construction projects constructed on state or county lands that would not ordinarily be open to public access.

Your Committee did not receive testimony on this measure.

Your Committee finds that section 103-50, HRS, is not intended to require certain private entities operating upon state or county lands to be held to the compliance standards of the Americans with Disabilities Act or to submit building plans for review by the Disability and Communication Access Board. Farm buildings constructed upon state agricultural land and private homes constructed upon a Hawaiian homestead plot are examples of buildings that were not intended to be regulated under section 103-50, HRS, but could arguably fall under the Disability and Communication Access Board's purview according to existing statutory language. This measure intends to align statutory language with the actual procedures and practices that the Disability and Communication Access Board implements in carrying out its responsibilities over building plan reviews.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1115, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 630 Hawaiian Affairs on Gov. Msg. No. 509

Recommending that the Senate advise and consent to the nomination of the following:

CHAIRPERSON OF THE DEPARTMENT OF HAWAIIAN HOME LANDS

G.M. No. 509 JOBIE MASAGATANI, for a term to expire 12-31-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jobie Masagatani to possess the requisite qualifications to be nominated as the Chairperson of the Hawaiian Homes Commission.

Your Committee received testimony in support of the nomination of Ms. Masagatani from the Governor; Office of Hawaiian Affairs; Department of Land and Natural Resources; Department of Transportation; Department of Budget and Finance; Hawaii Housing Finance and Development Corporation; University of Hawaii System; Aha Moku Advisory Committee; Ko'olaupoko Hawaiian Civic Club; Queen Lili'uokalani Children's Center; Building Industry Association of Hawaii; City Square Management Services, Inc.; Waiohuli Hawaiian Homesteaders Association, Inc.; ValueRock Realty Partners; Democratic Party of Hawaii; Hawaiian Affairs Caucus; Hawaii Laborers-Employers Cooperation and Education Trust; Ashford & Wriston, A Limited Liability Law Partnership LLP; United Public Workers, AFSCME Local 646 AFL-CIO; Ho'omana Pono, LLC; Chun Kerr LLP; Kapolei Community Development Corporation; Colliers International; Anahola Farmers and Ranchers Association; Hawaii Regional Council of Carpenters; Pelatron; General Growth Properties/Prince Kuhio Plaza LLC; Ko'olau Foundation; King Kamehameha Hawaiian Civic Club; Native Hawaiian Chamber of Commerce; PBR Hawaii & Associates, Inc.; Special Olympics Hawaii; Operating Engineers Local Union No. 3; Auamo I Na Alaka'i; Pana'ewa Hawaiian Home Lands Community Association; DeBartolo Development LLC; Chamber of Commerce Hawaii; Princess Kaiulani Hawaiian Civic Club; Kanu o ka 'Aina Learning 'Ohana; Pearl Harbor Hawaiian Civic Club; Honua Consulting; and fifty-one individuals. Your Committee also received a petition in support signed by twenty-four individuals and a petition in support signed by one hundred twenty-two individuals. Your Committee received testimony in opposition to the nomination of Ms. Masagatani from the Sovereign Councils of Hawaiian Homelands Assembly; Hawaiian Community Assets; Council for Native Hawaiian Advancement; and five individuals. Your Committee received comments regarding Ms. Masagatani's nomination from one individual.

Ms. Masagatani is a graduate of the Kamehameha Schools, Kapalama campus. She received her Bachelor of Science degree in Education from Northwestern University. She received her Master's Degree in Public Affairs/Urban and Regional Planning from Princeton University, Woodrow Wilson School of Public and International Affairs.

From 2012 to present, Ms. Masagatani has served as Chairperson of the Hawaiian Homes Commission. Immediately prior to that, she served as the Special Assistant to the Chief Executive Officer and also the Public Policy Program Manager at the Office of Hawaiian Affairs. In 2005, Ms. Masagatani founded Clarity Organizational Services. Prior to that, she served as Assistant to the President and Chief Executive Officer at The Queen's Health Systems. From 1995-2002, Ms. Masagatani served as the Deputy to the Chairman of the Hawaiian Homes Commission. Ms. Masagatani has also served as a Project Manager for the Hawaii Real Estate Research and Education Center – Research Corporation of the University of Hawaii, as a Land Investment Analyst with the Kamehameha Schools/Bishop Estate, and a Budget Examiner at the Office of Management and Budget, Executive Office of the President, United States Government.

Ms. Masagatani is affiliated with numerous community organizations, including the Hui Hanai Board, Queen Lili'uokalani Trust, Native Hawaiian Educational Council, Kamehameha Schools Board of Advisors, University of Hawaii John A. Burns School of

Medicine Department of Native Hawaiian Health Community Advisory Board, United States Census Advisory Committee on Native Hawaiian and Other Pacific Islanders Population, and Affordable Housing Advisory Council Federal Home Loan Bank of Seattle.

Testimony in support of the nominee indicated that Ms. Masagatani has a history of serving the native Hawaiian community and specifically the Department of Hawaiian Home Lands. Ms. Masagatani expressed her recognition that, in this time of budgetary constraints, the Department of Hawaiian Home Lands must generate income through its commercial properties so that it can ultimately serve its beneficiaries on homestead lands and on the waiting list to receive homestead lands. Upon questioning, Ms. Masagatani explained that the issue of people being on the wait list is a multi-faceted problem. While the Department of Hawaiian Home Lands is continuing to make lots available, many beneficiaries are unable to afford the cost. To address this situation, the Department is developing various programs to ultimately get beneficiaries onto homestead lands. Your Committee notes that testimony was received complaining that Ms. Masagatani had not reached out to all groups of beneficiaries. Your Committee further notes that Ms. Masagatani herself identified communication as an area where she could improve and that she was not objectionable to meeting with any beneficiaries if they requested.

Your Committee finds that Ms. Masagatani is qualified to serve as the Chairperson of the Hawaiian Homes Commission and is optimistic that she will serve the Department of Hawaiian Home Lands and its beneficiaries well.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 631 Hawaiian Affairs on Gov. Msg. No. 510

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY TO THE CHAIRPERSON OF THE DEPARTMENT OF HAWAIIAN HOME LANDS

G.M. No. 510 WILLIAM AILA JR., for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds William Aila, Jr., to possess the requisite qualifications to be nominated as the Deputy to the Chairperson of the Hawaiian Homes Commission.

Your Committee received testimony in support of the nomination of Mr. Aila from the Governor; National Oceanic and Atmospheric Administration; Office of Hawaiian Affairs; Department of Hawaiian Home Lands; Department of Land and Natural Resources; Department of Transportation; Department of Budget and Finance; Hawaii Housing Finance and Development Corporation; University of Hawaii System; Aha Moku Advisory Committee; Ko'olaupoko Hawaiian Civic Club; Queen Lili'uokalani Childrens Center; ValueRock Realty Partners; Hawaii Laborers-Employers Cooperation and Education Trust; Democratic Party of Hawaii – Hawaiian Affairs Caucus; United Public Workers, AFSCME, Local 646, AFL-CIO; Ho'omana Pono LLC; Building Industry Association of Hawaii; Ocean Tourism Coalition; Kapolei Community Development Corporation; Anahola Farmers and Ranchers Association; Hawaii Regional Council of Carpenters; Sovereign Councils of the Hawaiian Homelands Assembly; Pelatron; Ko'olau Foundation; The Nature Conservancy; Ashford & Wriston, a Limited Law Partnership LLP; Council for Native Hawaiian Advancement; Native Hawaiian Chamber of Commerce; Special Olympics Hawaii; Auamo I Na Alaka'i; Chamber of Commerce Hawaii; Princess Kaiulani Hawaiian Civic Club; Honua Consulting; Oka's Auto Body and Paint; and forty-two individuals. Your Committee also received a petition in support of the nomination signed by twenty-four individuals. Your Committee received testimony in opposition to the nomination from one individual.

Mr. Aila is a graduate of Wai'anae High School. He received a Bachelor of Science degree in General Tropical Agriculture from the University of Hawaii at Manoa.

Mr. Aila served as the Chairperson of the Board of Land and Natural Resources from 2010-2014. He spent the previous twenty-three years as the harbor agent for the Wai'anae Boat Harbor.

Mr. Aila's community service includes membership in the National Marine Protected Areas Advisory Council, Ka'ena Point Advisory Group, Advisory Group to US Army Garrison Hawai'i, US Army Ordnance Reef Advisory Committee, Leeward Community College Wai'anae Campus Advisory Board, Hui Malama I Na Kupuna O Hawaii Nei, Ka Papa O Kakuhihewa, Hawaii Community Development Authority, Wai'anae Weed and Seed Task Force, Mohala I Ka Wai, and numerous other groups.

Your Committee received overwhelming testimony in support of Mr. Aila's nomination. Various testifiers spoke to his ability to work together with groups of people and bring them together. Your Committee also heard testimony of Mr. Aila's work ethic and hands on approach to problem solving while serving as the Chairperson of the Board of Land and Natural Resources. Mr. Aila expressed that he is personally aware of the struggles facing beneficiaries as they seek to obtain home land leases. He and his wife spent over twenty years working through the Hawaiian home lands processes to obtain their homestead parcel.

Your Committee believes that Mr. Aila's work ethic, professional background, and personal experience make him qualified to serve as the Deputy to the Chairperson of the Hawaiian Homes Commission.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 632 Judiciary and Labor on S.B. No. 140

The purpose and intent of this measure is to require agencies to exercise reasonable care in the maintenance of all government records under their control that are required to be made available for public inspection.

Your Committee received testimony in support of this measure from the Kokua Council and 'Āina Haina Community Association. Your Committee received testimony in opposition to this measure from the Office of Information Practices and Police Department, City and County of Honolulu.

Your Committee finds that in Molfino v. Yuen, Civ. No. 07-1-0378, 2014 (Haw. Sup. Ct. Nov. 13, 2014), the Supreme Court upheld a Circuit Court ruling that, absent a statutory requirement, a government agency does not have a duty of reasonable care with respect to maintaining government records for the purpose of public inspection. This measure amends chapter 92F, Hawaii Revised Statutes, to create a statutory requirement that government agencies exercise reasonable care in maintaining those government records open to public inspection.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 140 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 633 Transportation on S.B. No. 415

The purpose and intent of this measure is to allow bicyclists to signal a right turn by using their right hand and arm extended horizontally from the right side of the bicycle.

Your Committee received testimony in support of this measure from the Department of Transportation Services, City and County of Honolulu; Hawaii Bicycling League; and one individual.

Your Committee finds that this measure enhances traffic safety by giving motor vehicle drivers advanced indication of the intent of a bicyclist to make a right turn. Your Committee supports measures like this that help to make bicycling safer.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 415 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Inouye, Kidani).

SCRep. 634 Transportation on S.B. No. 1141

The purpose and intent of this measure is to clarify that the Department of Transportation can enforce its administrative rules at Kawaihapai Airfield, formerly known as Dillingham Airfield.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual.

Your Committee finds that current law exempts airports or air navigation facilities owned or operated by the United States from administrative regulation by the Department of Transportation. This measure would remove that exemption and allow the Department of Transportation, who leases Kawaihapai Airfield from the United States, to better manage Kawaihapai Airfield as a general aviation airport.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1141, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1141, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Kidani).

SCRep. 635 Health on S.B. No. 305

The purpose and intent of this measure is to prohibit the use of tobacco products and e-cigarettes on all of the Hawaii Health Systems Corporation's premises.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation; Healthcare Association of Hawaii; The Queen's Health Systems; Coalition for a Tobacco-Free Hawaii; and Foodland Supermarkets, Ltd. Your Committee received testimony in opposition to this measure from VOLCANO Fine Electronic Cigarettes, Hawaii Smokers Alliance, and ten individuals.

Your Committee finds that facilities within the Hawaii Health Systems Corporation are committed to providing quality healthcare for the people of Hawaii and taking steps to reduce the occurrence of preventable disease. Consistent with this commitment, the Corporation must not permit the use of tobacco and other potentially dangerous substances on the campuses of its health facilities. Allowing such use would not only expose vulnerable patients, employees, and visitors to the perils of harmful substances, but would also demonstrate a shortcoming in the Corporation's goal of reducing the occurrence of preventable disease.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 305, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 305, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 636 Health on S.B. No. 818

The purpose and intent of this measure is to:

- (1) Require the Department of Health to accept tuberculosis blood tests in addition to the tuberculosis skin test for the purpose of obtaining a certificate of tuberculosis examination;
- (2) Amend the law requiring tuberculosis clearance prior to public school entry to be in accordance with law rather than with Department of Health rules; and
- (3) Clarify that the Department of Health's administrative rules regarding the use of the Mantoux tuberculin skin test or chest x-rays in obtaining a certificate of tuberculosis examination shall remain in effect until amended to include the addition of tuberculosis blood tests as an acceptable tuberculosis diagnostic.

Your Committee received testimony in support of this measure from the Department of Health and Department of Education.

Your Committee finds that many people are required to be tested for tuberculosis: children entering school, school personnel, personnel working with higher-risk populations, students enrolling in higher education, and others. The addition of Food and Drug Administration-approved, Centers for Communicable Disease and Prevention-recommended tests for tuberculosis infection as an approved tuberculosis diagnostic is necessary because it is a more appropriate test for those who have received the bacille Calmette-Guerin tuberculosis vaccine, individuals opposed to the tuberculin injection, and people for whom returning for a second appointment to check for a skin reaction is a hardship.

Your Committee has amended this measure by:

- (1) Replacing references to interferon-gamma release assay tuberculosis blood tests with "Food and Drug Administration-approved, Centers for Communicable Disease and Prevention-recommended tests for tuberculosis infection" as acceptable tests for the purpose of obtaining a certificate of tuberculosis examination;
- (2) Amending language to require tuberculosis clearance prior to public school entry to be in accordance with both Department of Health rules and state law; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 818, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 818, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Baker).

SCRep. 637 (Joint) Health and Commerce and Consumer Protection on S.B. No. 356

The purpose and intent of this measure is to enable patients to obtain their medical records free of charge from medical facilities that have declared bankruptcy.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that individuals having responsibility for decisions respecting their own health care possess a concomitant right of access to complete information respecting their condition and care provided. Allowing patients access to their medical records will not only educate patients about their medical conditions and possible treatments, it will help ensure that records are available to new care providers when patients relocate or change doctors, or when a health care provider no longer provides services.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 356, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 356, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ruderman).

Commerce and Consumer Protection

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 638 Commerce and Consumer Protection on S.B. No. 756

The purpose and intent of this measure is to establish a mortgage license exemption for sellers of real property who offer or negotiate terms of a mortgage loan secured by the seller's own real property; provided that the seller does not engage in more than three mortgage loans in one calendar year.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS, REALTORS Association of Maui, and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that Act 198, Session Laws of Hawaii 2014, made various amendments to chapter 454F, Hawaii Revised Statutes, the Secure and Fair Enforcement for Mortgage Licensing Act, including removing exemptions that allowed ordinary, non-licensed property owners to provide financing for their own properties. Your Committee further finds that owner financing is a useful tool in the credit market, as it expands the pool of potential buyers for owners and gives buyers an opportunity to make a purchase that may otherwise have been out of reach, particularly if the buyers are unable to qualify for a traditional mortgage loan.

Your Committee has heard the testimony regarding whether the owner financing exemption should have been removed last year as part of the overall amendments to the Secure and Fair Enforcement for Mortgage Licensing Act. Your Committee notes that Hawaii has met the minimum model state legislation that is required to comply with the federal Secure and Fair Enforcement for Mortgage Licensing Act. Your Committee also notes that the Consumer Financial Protection Bureau's implementing regulations for the Secure and Fair Enforcement for Mortgage Licensing Act exclude some sellers who provide seller financing from the definition of loan originator.

Finally, your Committee notes that interested stakeholders have collaborated on consensus language to clarify the mortgage license exemption proposed by this measure and ensure that buyers in an owner-financed transaction understand the terms of the transaction. Amendments to this measure are therefore necessary to reflect this consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the mortgage license exemption proposed by this measure is for a seller of real property who offers or negotiates terms of a residential mortgage loan secured by the seller's own real property and for which the seller is the mortgagee; provided that the seller is an individual who provides three or fewer residential mortgage loans per calendar year and the interest rate for the loan is not above the State's usury limit;
- (2) Requiring the seller in an owner-financed transaction to provide the buyer a disclosure with the terms of the transaction; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 756, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 756, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 639 Judiciary and Labor on S.B. No. 1066

The purpose and intent of this measure is to:

- (1) Update the Uniform Interstate Family Support Act to comply with the requirements of the Hague Convention of the International Recovery of Child Support and Other Forms of Family Maintenance; and
- (2) Establish procedures for registration, recognition, enforcement, and modifications of support orders from countries that are parties to the Hague Convention.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Commission to Promote Uniform Legislation.

Your Committee finds that since 1998, the Uniform Interstate Family Support Act (UIFSA) has been adopted by all fifty states. UIFSA provides uniform rules for the enforcement of family support orders in the United States and serves as the basis for interstate establishment and enforcement of support obligations. By updating and adopting the subsequent amendments made to UIFSA, this measure assists in improving the enforcement of American child support orders abroad.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1066, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1066, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 640 Judiciary and Labor on S.B. No. 657

The purpose and intent of this measure is to require legislators to file a supplemental report within ten days of the conclusion of a special session of the Legislature that covers the period from the last required reporting date to the conclusion of that special session.

Your Committee received comments on this measure from the Department of the Attorney General and Campaign Spending Commission.

Your Committee finds that heightened public interest in campaign spending issues may arise in the event of a special session of the Legislature other than a special session convened by the Senate only for the purpose of judicial confirmations pursuant to article VI, section 3, of the Hawaii State Constitution. This measure assists in increasing transparency of candidate committee contributions by requiring legislators to file an additional supplemental report to the Campaign Spending Commission at the conclusion of a special session of the Legislature.

Your Committee has incorporated suggestions from the Department of the Attorney General to only amend section 11-334(a)(4), Hawaii Revised Statutes (HRS). Accordingly, this measure proposes an additional supplementary report to be filed by candidate committees within thirty calendar days after the conclusion of a special session of the full Legislature, but only if the date of conclusion of the special session is more than ninety calendar days before the next supplementary report is otherwise due under current law.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Department of the Attorney General that:
 - (A) Inserts a purpose section to explain the justification of adding an additional reporting requirement for legislators at the conclusion of a special session;
 - (B) Clarifies that the additional supplemental reports required of legislators under this measure apply to special sessions conducted by both houses of the Legislature;
 - (C) Deletes the new section added to chapter 11, Hawaii Revised Statutes (HRS), and amendments to section 11-333, HRS; and
 - (D) Retains and amends section 11-334(a), HRS, to require legislators to file a supplemental report within thirty days of the conclusion of a special session of the full Legislature if the next regularly scheduled report is due more than ninety calendar days after conclusion of that special session;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 657, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 657, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 641 Ways and Means on S.B. No. 104

The purpose and intent of this measure is to include efficiency measures in the state budgeting process.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii.

Your Committee finds that, as a matter of best practices in budgeting, cost-benefit metrics such as efficiency measures help ensure that the planned investment of funds is thoroughly considered against anticipated outcomes. From an operating standpoint, identifying efficiency measures can also assist agencies and the Legislature to determine realistic expectations for service levels.

Your Committee notes that during the hearing on this measure, the University of Hawaii indicated its willingness to work with the Department of Budget and Finance on a pilot project on efficiency measures.

Your Committee has amended this measure by deleting its contents and replacing it with provisions that:

- (1) Require the Director of Finance to select one state department to participate in a pilot project for the establishment of, and data collection for, efficiency measures intended to be included with budget documents to be submitted to the Legislature after the fiscal biennium of 2015-2017;
- (2) Require the selected state department to submit at least three proposed efficiency measures to the Director of Finance;
- (3) Require the Director of Finance to submit to the Legislature, prior to the Regular Session of 2017, a report on:
 - (A) The Director's findings and recommendations resulting from the pilot project;
 - (B) Whether to require all executive departments to include efficiency measures, commencing with the budget documents for fiscal biennium 2019-2021; and
 - (C) The costs incurred by the Department of Budget and Finance and the selected state department in conducting the pilot project;
- (4) Require the Auditor to submit an evaluation report to the Legislature no later than March 1, 2017, on the pilot project;
- (5) Appropriate funds to the Department of Budget and Finance for the pilot project; and
- (6) Change the effective date to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 104, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 104, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 642 Ways and Means on S.B. No. 106

The purpose and intent of this measure is to recalibrate the formula for computing the general fund expenditure ceiling, beginning from the fiscal year 2019-2020, by requiring that it be based on the previous fiscal year's general fund appropriation, rather than the previous fiscal year's general fund expenditure ceiling.

Your Committee received comments on this measure from the Department of Budget and Finance and the Tax Foundation of Hawaii.

Your Committee finds that article VII, section 9, of the Hawaii Constitution requires the establishment of a general fund expenditure ceiling that may be exceeded only upon two-thirds vote of each house of the Legislature. Your Committee also finds that, under the current method of computation, the ceiling historically far exceeds actual general fund appropriations and does not accurately forecast or encourage prudent spending levels. Your Committee believes that basing the computation of the general fund expenditure ceiling on the previous fiscal year's general fund appropriation, rather than the previous fiscal year's general fund expenditure ceiling, would establish the ceiling at a more reasonable level.

Your Committee notes that the method of computation proposed by this measure would not be implemented until fiscal year 2019-2020, after the State's annual required contributions for public employees' post-employment benefits under Act 268, Session Laws of Hawaii 2013, have reached one hundred per cent. This will avoid any distortion that may be caused by the gradually increasing schedule of annual contributions under Act 268 that commenced from fiscal year 2014-2015.

Your Committee also notes that, commencing with fiscal year 2019-2020, should the Legislature, upon a two-thirds vote of each house, choose to exceed the general fund expenditure ceiling, the ongoing fiscal year's general fund appropriation would become the new base year for computing the general fund expenditure ceiling.

Your Committee further finds that, pursuant to article VII, section 3, of the Hawaii Constitution, the Tax Review Commission is required to conduct an evaluation of the State's tax structure. Your Committee believes that it would be appropriate for the Tax Review Commission, as part of its evaluation, to review this measure and consider what effect changing how the general fund expenditure ceiling is calculated might have. Your Committee intends that the Tax Review Commission submit its findings and recommendations to the Legislature concurrently with its report on the State's tax structure.

Your Committee has amended this measure by:

- (1) Requiring that the Tax Review Commission, as part of its evaluation of the State's tax structure, review this measure to determine if it is consistent with the revenue and tax policy of the State; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 106, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 106, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 643 Ways and Means on S.B. No. 250

The purpose and intent of this measure is to clarify how federal funds received by the State are to be expended.

Specifically, this measure:

- (1) Expressly states that the disbursement of federal-aid moneys is subject to legislative appropriation or other law authorizing expenditure;
- (2) Amends the definition of "federal funds" in the executive budget act to include financial aid reasonably anticipated to be received from the federal government or financial aid for which an agency's application is pending before the federal government;
- (3) Allows the expenditure of unanticipated or excess federal moneys when authorized by proviso in the budget or supplemental budget act; and
- (4) States the intent that this Act shall apply to the Judiciary by operation of section 601-2, Hawaii Revised Statutes.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Health, and University of Hawaii.

Your Committee finds that the clarifications made by this measure will assist the Legislature in gaining a more accurate understanding of the amounts and types of federal funding that are being received by state agencies. This added information and budgetary control will enable the Legislature to make better assessments of agency budgets, thereby facilitating fiscal accountability.

Your Committee has amended this measure by:

- (1) Amending the definition of “federal funds” to delete a reference to financial aid for which an agency’s application is pending before the federal government;
- (2) Changing the defined term “unanticipated or excess federal moneys” to “unanticipated federal moneys” and further clarifying that term’s definition to include federal financial aid that is not appropriated in the budget or supplemental budget act; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 250, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 250, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Slom).

SCRep. 644 (Majority) Ways and Means on S.B. No. 118

The purpose and intent of this measure is to disallow the dividends paid income tax deduction for real estate investment trusts.

Your Committee received testimony in support of this measure from the Bojim Investments, Commercial Properties of Maui, Hawaii Government Employees Association, Hawaii State AFL-CIO, Long Services Inc., Matt Levi Investigations, St. Francis of Neumann Communities, Savio Associates LLC, The Savio Group, Sofos Realty Corporation, TMC General Contracting, UNITE HERE Local 5, and sixty-nine individuals. Your Committee received testimony in opposition to this measure from Albert C. Kobayashi Inc., CNL Lifestyle Properties Inc., General Growth Properties, Hawaii Association of Realtors, Kobayashi Group LLC, Land Use Research Foundation of Hawaii, The MacNaughton Group, National Association of Real Estate Investment Trusts Inc., Public Storage, The Shidler Group, Taubman Centers, and one individual. Your Committee received comments on this measure from Department of Taxation, Tax Foundation of Hawaii, and two individuals.

Your Committee finds that the issue of real estate investment trusts is very controversial.

Supporters of this measure contend that the dividends paid by real estate investment trusts should not be deductible, effectively taxing those amounts before distribution. They feel that repealing the deduction will promote fairness in the treatment of similar, but differently organized, business entities and generate revenues for state programs. Supporters also feel that the dividends should be taxed by the State before distribution outside Hawaii, where the State’s taxing authority does not extend.

Opponents contend that this measure will discourage the operation of real estate investment trusts in Hawaii. They contend that this measure will hurt the local economy, serve as a barrier to capital flow into the State, and reduce opportunities for small investors to pool with others to participate in real estate development opportunities. Opponents also contend that the State may lose revenues because of the possible abandonment of the Hawaii market by real estate investment trusts or engagement in tax avoidance strategies, such as relocation to low-taxing jurisdictions.

Unfortunately, your Committee’s diligent effort to obtain data on the economic impact of real estate investment trusts in Hawaii or tax revenues generated or avoided by such trusts has been unsuccessful. Without the data, your Committee is hesitant to act favorably on this measure. Thus, your Committee has amended this measure to require a comprehensive study on the impact of real estate investment trusts. The study is intended to provide data on and evaluate the contentions and arguments of supporters and opponents of this measure. Your Committee finds that such a study is necessary before taking action on a measure that may or may not have substantial impacts on the economy of the State.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting language requiring the Department of Business, Economic Development, and Tourism, with the assistance of the Department of Taxation, to study the impact of real estate investment trusts in Hawaii and the possible effect of repealing the dividends paid income tax deduction for real estate investment trusts;
- (2) Appropriating an unspecified amount of funds to the Department of Business, Economic Development, and Tourism to perform the study; and
- (3) Providing for a July 1, 2015, effective date of the appropriation section.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 118, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 118, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Dela Cruz, Galuteria).

SCRep. 645 Ways and Means on S.B. No. 555

The purpose and intent of this measure is to:

- (1) Increase the refundable food/excise tax credit by a fixed amount; and
- (2) Commencing with taxable years beginning after December 31, 2016, tie the tax credit to increases in the consumer price index.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Americans for Democratic Action, Catholic Charities, Hawaii Alliance for Community-Based Economic Development, Hawaii Appleseed Center for Law and Economic Justice, PHOCUSED, Hawaii Primary Care Association, and UNITE HERE Local 5. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that Hawaii has the second highest tax burden in the country for the bottom twenty percent of income earners. Your Committee believes that amending the refundable food/excise tax credit would provide a measure of tax relief to the lowest earners in the State. However, your Committee finds that the requirement for a taxpayer to be a resident in order to claim the credit may present a constitutional problem. Your Committee further finds that tying the tax credit to the consumer price index may be difficult for the Department of Taxation to administer and confusing for taxpayers.

Your Committee has amended this measure by:

- (1) Increasing the amount of the refundable food/excise tax credit for low-income tax filers, particularly heads of households and married joint filers;
- (2) Deleting the provision requiring an annual adjustment to the refundable food/excise tax credit corresponding to increases in the consumer price index;
- (3) Repealing the refundable food/excise tax credit for taxpayers who file single returns with adjusted gross incomes of \$30,000 or above; and
- (4) Repealing the residency requirement for the refundable food/excise tax credit.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 555, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 646 Ways and Means on S.B. No. 1212

The purpose and intent of this measure is to repeal obsolete provisions in the general excise tax and public service company tax laws.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that sections of the general excise tax and public service company tax laws contain provisions that were to phase-in the effect of certain amendments over several years. Your Committee further finds that the phase-in periods for those provisions have long since ended, making those provisions obsolete.

Your Committee has amended this measure by:

- (1) Amending section 238-2.3, Hawaii Revised Statutes, to delete a reference to section 237-13.3, Hawaii Revised Statutes, which is repealed by this measure;
- (2) Deleting the section of the measure that would have repealed section 239-6(e), Hawaii Revised Statutes, which exempts certain transportation service providers from the public service company tax, provided that they are subject to the general excise tax; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1212, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1212, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Harimoto, Slom).

SCRep. 647 (Majority) Ways and Means on S.B. No. 1297

The purpose and intent of this measure is to place ceilings on the total amounts of cigarette tax revenues that are presently deposited into certain special funds.

Your Committee received testimony in opposition to this measure from the University of Hawaii, Friends of the Medical School, and three individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that under the present tax structure, certain special funds receive a specified number of cents per cigarette with no limit to the total amount of tax revenue that may be received per fiscal year. Your Committee further finds that placing a cap on the amount of cigarette tax revenues received by these special funds will promote budgetary planning and transparency by:

- (1) Making forecasts of general fund revenues more reliable;
- (2) Increasing legislative oversight of the agencies and programs supported by those special funds; and
- (3) Increasing competition for limited public funds among agencies and programs seeking funds additional to those automatically distributed to their special funds.

Your Committee further finds that the practice of automatically earmarking funds that fluctuate over time to not be in the best interest of either the State or the recipient program. Without legislative involvement in the distribution of funds, determinations as to whether or not programs are receiving too little or too much resources are often not made in a timely manner. This has resulted in some programs requiring additional funds and other programs building up large reserves that could have been better utilized for other programs and services.

Your Committee has amended this measure by setting out the new tax structure as a new paragraph to the existing statutory section on the disposition of the cigarette tax revenues, rather than as amendments to the presently applicable paragraph of that section. This is consistent with recent legislative practice regarding this statute and preserves the record of cigarette taxation amounts and disposition.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1297, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1297, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Chun Oakland). Excused, 1 (Dela Cruz).

SCRep. 648 Ways and Means on S.B. No. 325

The purpose and intent of this measure is to appropriate \$2,000,000 out of general revenues to the University of Hawaii to fund student employees at new or expanded worksites on each University of Hawaii campus.

Your Committee received written comments in support of this measure from the University of Hawaii, University of Hawaii Office of Student Affairs, and fourteen individuals.

Your Committee finds that on-campus employment benefits both students and universities. Students gain critical workforce skills and are able to cover rising college costs while campuses benefit from students' performance of a myriad of critical university functions. Your Committee believes that students who work on campus often perform better academically and have higher graduation rates than those who work off campus.

Your Committee has amended this measure by changing the appropriation amount to an unspecified sum to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 325, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 325, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Riviere).

SCRep. 649 Ways and Means on S.B. No. 435

The purpose and intent of this measure is to require that all publicly funded landscaping projects include a minimum percentage of Hawaiian plants, in order to contribute to a Hawaiian sense of place, reduce the use of non-native invasive plant species, and support the preservation of Hawaii's cultural and ecological heritage.

Your Committee received written comments in support of this measure from the Judiciary, Department of Transportation, Department of Land and Natural Resources, Office of Hawaiian Affairs, State Procurement Office, a Councilmember from the Kauai County Council, Association of Hawaiian Civic Clubs, Hawaii Green Growth, The Nature Conservancy, Kua'aina Ulu 'Auamo, King Kamehameha HCC, and twelve individuals. Your Committee received written comments in opposition to this measure from the Department of Accounting and General Services.

Your Committee finds that the use of Hawaiian plants in landscaping on public works is essential to preserving a Hawaiian sense of place. Greater use of native plants is also important for cultural preservation, biodiversity, biosecurity, and ecosystem management. Your Committee believes that publicly funded landscaping should embody Hawaii's cultural and ecological heritage through the use of Hawaiian plants.

Your Committee recognizes that there may be concerns about the complexities of complying with this measure during the procurement process. However, your Committee believes that any remaining issues concerning procurement may be addressed and resolved as the measure advances through the legislative process.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 435, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 435, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 650 Ways and Means on S.B. No. 1341

The purpose and intent of this measure is to provide the State Innovation Waiver Task Force with a more focused purpose and the resources necessary to develop a waiver to certain provisions of the Patient Protection and Affordable Care Act (Affordable Care Act) in a timely manner.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, the Chamber of Commerce of Hawaii, and one individual.

Your Committee finds that the State Innovation Waiver Task Force was established by the Legislature in 2014 for the purpose of developing a plan that meets the requirements for obtaining a state innovation waiver that complies with the Affordable Care Act. The task force is scheduled to be dissolved on June 30, 2017, and has yet to develop a compliant waiver plan.

Your Committee finds that the state innovation waiver is a crucial mechanism that will allow the State and its health insurers better address the challenges that are distinct to Hawaii's unique healthcare market and more successfully implement the Affordable Care Act in conjunction with Hawaii's Prepaid Health Care Act. Currently, the task force does not have all of the resources that it needs to continue its work to develop an innovation waiver proposal. Narrowing the scope of the task force's purpose and providing the task force with the resources it needs to develop an innovation waiver proposal will complete an important step toward improving the effectiveness of insurance and healthcare delivery in Hawaii under the new requirements of the Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1341, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Ruderman, Slom).

SCRep. 651 Ways and Means on S.B. No. 1262

The purpose and intent of this measure is to amend the Secure and Fair Enforcement for Mortgage Licensing Act by authorizing the Insurance Commissioner to make a finding to adjust the assessed mortgage loan recovery fund fee once the mortgage loan recovery fund reaches its target balance.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs and Hawaii Association of Mortgage Brokers.

Your Committee finds that authorizing the Commissioner of Financial Institutions to make a finding to adjust the assessed mortgage loan recovery fund fee provides appropriate flexibility to manage the fund so that it reaches and maintains its target balance.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1262, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Ruderman).

SCRep. 652 Ways and Means on S.B. No. 1157

The purpose and intent of this measure is to make the temporary Starlight Reserve Advisory Committee permanent.

The measure also makes a technical amendment to specify that the administrator, rather than the chairperson, of the Office of Hawaiian Affairs shall be a member of the advisory committee.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Department of Transportation, Office of Hawaiian Affairs, University of Hawaii, and Starlight Reserve Committee.

Your Committee finds that it is necessary to continue the coordinated efforts of the institutions represented on the Starlight Reserve Advisory Committee to fully develop and implement a statewide strategy to reduce nighttime light pollution, with the long-term goals of preserving Hawaii's night sky for astronomical studies, protecting endangered species, and reducing nighttime energy consumption.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1157, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1157, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 653 Transportation on S.B. No. 416

The purpose and intent of this measure is to:

- (1) Authorize the use of the State highway fund for the establishment of cycle tracks;
- (2) Define cycle track; and
- (3) Clarify permitted uses on cycle tracks under the Statewide Traffic Code.

Your Committee received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; Department of Transportation Services, City and County of Honolulu; Hawaii Bicycling League; Blue Planet Foundation; and one individual.

Your Committee finds that this measure is intended to immediately address a new cycle track established by the City and County of Honolulu on South King Street, although the measure applies to all cycle tracks. The King Street cycle track officially opened as a one-way cycle track on Saturday, December 6, 2014. Bicyclists heading in the East-bound direction are permitted to use the cycle track.

Your Committee supports bicycling as an ideal alternative to motorized vehicle travel since it reduces traffic, is environmentally friendly, and promotes good health.

Cycle tracks also fulfill the intent of the Complete Streets Policy established under section 264-20.5, Hawaii Revised Statutes (HRS), "that seeks to reasonably accommodate convenient access and mobility for all users of the public highways within their

respective jurisdictions as described under section 264-1, [HRS,] including pedestrians, bicyclists, transit users, motorists, and persons of all ages and abilities”.

Your Committee applauds the efforts of the City and County of Honolulu to ease traffic congestion, but is especially concerned about the safety aspects of a cycle track that allows for two-way travel since motorists and pedestrians must be extra vigilant for bicyclists heading in both directions. Your Committee notes that the cycle track on South King Street is adjacent to street parking stalls, making travel by bicyclists and motorists somewhat dangerous. Your Committee notes further that there is moderate to heavy pedestrian traffic on South King Street which could further complicate matters. Therefore, your Committee urges the City and County of Honolulu to exercise due caution if it allows the cycle track on South King Street to accommodate two-way travel on the same track.

Your Committee has amended this measure by:

- (1) Amending section 264-18(c), HRS, to authorize, by rule of the Department of Transportation or counties through the adoption of an ordinance, lanes, paths, routes, ways, and cycle tracks to be used by pedestrians and non-motorized vehicles;
- (2) Clarifying that two bicycle riders may ride next to each other on a bicycle lane, cycle track, and bicycle path under certain circumstances unless otherwise prohibited by rule or ordinance adopted by the Department of Transportation or the counties respectively;
- (3) Specifically authorizing the Director of Transportation by rule and the counties through the adoption of an ordinance to allow mopeds to use bicycle lanes, cycle tracks, and bicycle paths, rather than restricting or prohibiting such uses through the postage of signs; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 416, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 416, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Inouye, Kidani).

SCRep. 654 Ways and Means on S.B. No. 92

The purpose and intent of this measure is to augment accessibility to general excise tax exemption information collected and provided by the Department of Taxation.

More specifically, this measure:

- (1) Requires the Department of Taxation to publish reports on certain general excise tax exemptions; and
- (2) Repeals specific annual reporting deadlines.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that, pursuant to section 231-3.4, Hawaii Revised Statutes, the Department of Taxation is required to publish reports on Hawaii income patterns and tax credits. This measure amends section 231-3.4, Hawaii Revised Statutes, by also requiring the Department of Taxation to publish reports on certain general excise tax exemptions. Your Committee believes that this measure will provide information that will be useful in determining the effectiveness of state tax incentives.

Your Committee has amended this measure by:

- (1) Making clarifying amendments to the descriptions of reports currently required under section 231-3.4, Hawaii Revised Statutes, regarding the income patterns of Hawaii businesses;
- (2) Amending section 231-3.4, Hawaii Revised Statutes, to retain the Department of Taxation's annual reporting requirement, while repealing an obsolete reporting deadline; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 92, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 92, S.D. 2, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 655 (Majority) Ways and Means on S.B. No. 401

The purpose and intent of this measure is to amend the excise tax rate on the sale of large cigars.

More specifically, this measure amends the excise tax rate on sales of large cigars that occur on or after July 1, 2015, to the lesser of:

- (1) Fifty cents for each large cigar; or
- (2) Fifty percent of the wholesale price of each large cigar.

Your Committee received testimony in support of this measure from the Cigar Association of America, Inc., Cigar Rights of America, Hawaii Cigar Association, Hawaii Farm Bureau, Hawaii Food Industry Association, Kauai Cigar Company, and seventeen individuals. Your Committee received a petition in support of this measure with the signatures of four hundred fifty individuals. Your

Committee received testimony in opposition to this measure from the Department of Health, American Cancer Society, American Heart Association, American Lung Association in Hawaii, Coalition for a Tobacco-Free Hawaii, and twenty individuals. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

This measure adjusts the excise tax on large cigars by amending paragraph (13) of section 245-3(a), Hawaii Revised Statutes, which sets the current excise tax rate on large cigars. Your Committee notes that by amending the paragraph that sets the existing tax rate, rather than setting out the amended tax rate in a new paragraph, this measure may retroactively repeal the excise tax on large cigars sold, used, or possessed prior to July 1, 2015. Your Committee finds that such a retroactive repeal is not the intent of this measure.

Accordingly, your Committee has amended this measure by:

- (1) Setting out the amended excise tax rate as a new paragraph of section 245-3(a), Hawaii Revised Statutes;
- (2) Applying the amended excise tax rate to sales of large cigars that occur on or after December 31, 2015; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 401, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 401, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Dela Cruz, Riviere, Ruderman). Noes, 1 (Inouye). Excused, 1 (Harimoto).

SCRep. 656 Ways and Means on S.B. No. 1092

The purpose and intent of this measure is to repeal various non-general funds and accounts.

Specifically, this measure repeals the following:

- (1) The Captain Cook Memorial Fund;
- (2) The infrastructure development fund;
- (3) The pineapple workers and retirees housing assistance fund;
- (4) The statewide geospatial information and data integration special fund;
- (5) The transportation use special fund;
- (6) The food distribution program revolving fund;
- (7) The career and technical training projects revolving fund;
- (8) The University of Hawaii alumni special fund;
- (9) The animal research farm, Waialeale, Oahu special fund;
- (10) The public health nursing services special fund;
- (11) The blind shop revolving and handicraft fund;
- (12) The donations for voter registration drive trust account established in 1984 and administered by the department of accounting and general services;
- (13) The Hawaii FY1 - ICSD trust account administratively established in 1996 and administered by the department of accounting and general services;
- (14) The parking control revolving fund escrow account administered by the department of accounting and general services;
- (15) The returned ACH tax refunds trust account administratively established in 2004 and administered by the department of accounting and general services;
- (16) The HDOA biocontrol foreign exploration special fund created in 2010 and administered by the department of agriculture;
- (17) The Hawaii EUTF self-directed investments trust account created in 2007 and administered by the department of budget and finance; and
- (18) An account controlled by the state commission on fatherhood.

The measure also transfers the balance of the fee simple residential revolving fund into the general fund.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which repeals only the:

- (1) Pineapple workers and retirees housing assistance fund;
- (2) State disaster revolving loan fund; and
- (3) Transportation use special fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Housing Finance and Development Corporation. The Department of Business, Economic Development, and Tourism submitted

testimony in opposition. Your Committee received comments from the Department of Accounting and General Services, University of Hawaii, Office of the Auditor, and Tax Foundation of Hawaii.

Your Committee finds that this measure implements some of the recommendations made by the Auditor. Repealing funds that no longer serve their intended purpose or no longer have activity promotes transparency in government finances, increases budgetary flexibility, improves government efficiency, and enhances government accountability.

Your Committee has amended this measure by adopting the Proposed Draft with the following additional amendments:

- (1) Deleting sections 4 and 5, which would have repealed the state disaster revolving fund; and
- (2) Adding a conforming amendment to repeal section 261D-3, Hawaii Revised Statutes, relating to exemption of the transportation use special fund from its pro rata share of administrative expenses pursuant to section 36-30, Hawaii Revised Statutes; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1092, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1092, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 657 Ways and Means on S.B. No. 119

The purpose and intent of this measure is to appropriate funds for public employment cost items and cost adjustments for employees of the legislative branch.

Specifically, this measure appropriates unspecified amounts to the:

- (1) State Ethics Commission;
- (2) Office the Auditor;
- (3) Office of the Legislative Reference Bureau;
- (4) Office of the Ombudsman;
- (5) Senate; and
- (6) House of Representatives.

Your Committee received testimony in support of this measure from the Legislative Reference Bureau, Office of the Auditor, Office of the Ombudsman, and State Ethics Commission.

Your Committee finds that the staff of the Legislature and the legislative service agencies are excluded from collective bargaining. This measure provides a legislative vehicle to appropriate sufficient funds for the public employment cost items of and cost adjustments for those officers and employees.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 119 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 658 (Joint) Ways and Means and Judiciary and Labor on S.B. No. 254

The purpose and intent of this measure is to require the Director of Finance to include a summary of operational costs for proposed capital improvement projects within each annual budget submitted to the Legislature.

Your Committees find that the costs of state facilities include not only initial construction cost, but also the cost to operate the facility once constructed. Requiring the Director of Finance to disclose estimated operational costs will help to present a more complete picture of the actual cost of a capital improvement project and will help to provide guidance on whether expenditures of operational cost-saving investments are justified.

Your Committees have amended this measure by:

- (1) Requiring each agency responsible for operating or maintaining a state-owned building, facility, or other improvement to furnish an estimate of the deferred maintenance costs of that building, facility, or improvement to the Department of Budget and Finance;
- (2) Requiring that the Director of Finance also include a summary of the deferred maintenance costs of state buildings, facilities, and improvements within each annual budget submitted to the Legislature; and
- (3) Defining what costs are considered as deferred maintenance.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 254, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 254, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

Judiciary and Labor

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 659 (Joint) Judiciary and Labor and Commerce and Consumer Protection on S.B. No. 1287

The purpose and intent of this measure is to:

- (1) Protect sound recordings fixed prior to February 15, 1972, against unauthorized public performance; and
- (2) Repeal chapter 482C, Hawaii Revised Statutes (HRS), relating to copyrights in sound recordings.

Your Committees received testimony in support of this measure from six individuals.

Your Committees find that prior to the Copyright Act of 1976, the federal copyright laws did not protect sound recordings. However, omitted from this federal copyright protection was the right of public performance of a sound recording for profit. In its 2014 decision of *Flo & Eddie, Inc. v. Sirius XM Radio, Inc. et al.*, Case No. CV 13-5693 PSG (RZx) (Sept. 22, 2014), the United States District Court for the Central District of California recognized that the Copyright Act of 1976 explicitly allows states to regulate rights and interests arising from sound recordings fixed prior to February 15, 1972. Furthermore, the court held that California Civil Code, section 980(a)(2), recognizes a comprehensive ownership interest in sound recordings fixed prior to February 15, 1972. Accordingly, this measure allows recording artists and their record labels to enjoy a public performance right in their sound recordings.

Your Committees have amended this measure by:

- (1) Condensing the purpose section under section 1;
- (2) Extending the exclusive ownership interest in original work until February 15, 2067, instead of February 15, 2047, to reflect the federal law rather than the California law;
- (3) Reinstating chapter 482C, HRS, rather than repealing the chapter;
- (4) Amending the penalty provision under section 482C-5, HRS, to establish that a person who violates the copyrights in sound recordings law shall pay a fine not to exceed \$1,000 or be guilty of a misdemeanor, or both;
- (5) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1287, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1287, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kidani, Taniguchi, Slom).

SCRep. 660 Judiciary and Labor on S.B. No. 871

The purpose and intent of this measure is to:

- (1) Establish driver's license reciprocity privileges between Hawaii and foreign countries, which would allow a nonresident operator of a motor vehicle who holds a license to operate a motor vehicle in another country to obtain a Hawaii driver's license to operate a car or truck under certain conditions; and
- (2) Repeal the Driver's License Reciprocity Committee established under section 286-11, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual.

Your Committee finds that the ability to drive adds to a person's quality of life in Hawaii and in many other countries. This measure facilitates the ability to drive by providing driver's license reciprocity with other countries under specified conditions. Your Committee further finds that the existing Driver's License Reciprocity Committee is cumbersome, costly, and complicated to administer. As a result, it has never been used since its enactment by Act 314, Session Laws of Hawaii 2012, despite public interest in driver's license reciprocity.

Your Committee notes the written testimony submitted by the Department of Transportation regarding requiring a nonresident operator of a motor vehicle to be a holder of an international driving permit to qualify for reciprocity. Your Committee has concerns regarding the feasibility of a nonresident obtaining an international driving permit and encourages further discussion on this matter as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Transportation that clarifies that the nonresident operator of a motor vehicle who seeks reciprocal licensing privileges shall be a holder of a current and valid license and international driving permit to operate a motor vehicle in the country in which the nonresident operator resides;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 871, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 871, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 661 Judiciary and Labor on S.B. No. 879

The purpose and intent of this measure is to establish a civil violation subject to a fine of \$100 for intentional or knowing possession of one ounce or less of marijuana.

Your Committee received testimony in support of this measure from the Progressive Democrats of Hawaii, Libertarian Party of Hawaii, The Drug Policy Action Group, The Drug Policy Forum of Hawaii, Alternative Pain Management Puuhonua LLC, Green Futures, Hawaii Substance Abuse Coalition, American Civil Liberties Union of Hawaii, and four individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Police Department, County of Maui; Police Department, City and County of Honolulu; Police Department, County of Hawaii; Coalition for a Drug-Free Hawaii; Hawaii Family Advocates; and seven individuals. Your Committee received comments on this measure from the Judiciary, Waihuena Farm, and one individual.

Your Committee finds that the costs to enforce criminal marijuana possession statutes are substantial. According to a report entitled *Update to: Budgetary Implications of Marijuana Decriminalization and Legalization for Hawai'i*, dated January 2013, by David C. Nixon, an associate professor at the University of Hawaii Public Policy Center, the enforcement costs for misdemeanor marijuana costs have skyrocketed in the State, and the cost of arrest in Hawaii for simple marijuana possession is now approximately \$9,300,000 a year, with marijuana distribution enforcement costing the State an additional \$3,100,000 a year. By establishing a civil violation subject to a fine of \$100 for intentional or knowing possession of one ounce or less of marijuana, your Committee does not intend to imply that such possession is acceptable and notes that possession of one ounce or less of marijuana is still prohibited conduct under state law.

Your Committee has amended this measure by:

- (1) Inserting language from section 11 of S.B. No. 666 (Regular Session of 2015) that amends the offense of promoting a detrimental drug in the third degree to clarify that the offense applies to the knowing possession of more than one ounce of marijuana;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 879, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 879, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 662 Judiciary and Labor on S.B. No. 211

The purpose and intent of this measure is to:

- (1) Specify the requirements of DNA sample collection from criminal offenders that are released on parole, probation, or other release; and
- (2) Establish a class C felony for intentionally or knowingly refusing or failing to provide DNA samples for forensic identification and clarify that it is a misdemeanor for the negligent or reckless failure to comply.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Office of the Prosecuting Attorney, County of Hawaii; Police Department, City and County of Honolulu; and Police Department, County of Maui. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and two individuals. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that all individuals convicted of a felony offense are required to submit DNA buccal swab samples for the purpose of establishing a DNA database that can be used to solve crimes and exonerate the innocent. Under existing law, if a felon refuses to comply with the law, the only mechanism to obtain compliance is the threat of a misdemeanor prosecution for a negligent or reckless violation, which is not likely to deter actions or induce compliance with the law. This measure creates a felony level offense for refusal or failure to provide DNA samples to increase compliance with the law.

Your Committee has amended this measure by:

- (1) Deleting section 1 because the clarification under section 844D-35, Hawaii Revised Statutes (HRS), is not necessary;
- (2) Adopting the language suggested by the Department of the Attorney General that separates the misdemeanor and felony penalties under section 844D-111(b), HRS, for further clarity and less chances of confusion when charging and tracking the offenses through the criminal justice and criminal history systems;
- (3) Clarifying that “intentionally”, “knowingly”, “recklessly”, and “negligently” have the same meanings as in section 702-206, HRS;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 211, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 211, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 663 Judiciary and Labor on S.B. No. 1208

The purpose and intent of this measure is to authorize the Employees’ Retirement System Board of Trustees to hold a meeting closed to the public to have discussions or make decisions relating to:

- (1) Investments or prospective investments by the System that require consideration of information or records that are exempt from disclosure under chapter 92F, Hawaii Revised Statutes (HRS);
- (2) Procurements that are exempt from chapter 103D, HRS, to the same extent as if the decision would be confidential if the procurement were subject to chapter 103D, HRS;
- (3) The authority of persons to negotiate investments or the sale of property held by or for the benefit of the Employees’ Retirement System; and
- (4) Draft reports, memoranda, and preliminary recommendations from staff, consultants, actuaries, and other agencies.

Your Committee received testimony in support of this measure from the Employees’ Retirement System. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Office of Information Practices and Civil Beat Law Center for the Public Interest.

Your Committee finds that the Board of Trustees of the Employees’ Retirement System have a fiduciary duty to invest funds for the benefit of the System and its members. On many occasions, this may require that the Board of Trustees review and consider confidential or proprietary information relating to investments. Your Committee finds that in appropriate situations, it would be beneficial for the Board to be able to review and consider such information in executive session.

Your Committee has amended this measure by:

- (1) Removing the description of the privilege in subsection (a)(4) of the new section to be inserted in chapter 88, HRS, as a deliberate process privilege;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1208, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1208, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 664 Judiciary and Labor on S.B. No. 1121

The purpose and intent of this measure is to limit the time for filing a prevailing wage claim with the Department of Labor and Industrial Relations and to provide that the name of complainants and witnesses shall not be disclosed to the employer.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and General Contractors Association of Hawaii.

Your Committee finds that there is an estimated two to three year backlog of investigation of cases filed with the Department of Labor and Industrial Relations. This measure would limit the time for filing a claim as well as establish the scope of the investigation regarding a claim. This measure also aims to protect employees by prohibiting the release of certain information to an employer.

Your Committee has amended this measure by:

- (1) Prohibiting only the name of a complainant from being disclosed to an employer in the course of an investigation;
- (2) Increasing the time to file a written request for an investigation to three years from the date that wages and overtime compensation are due and payable;
- (3) Increasing the scope of an investigation to three years prior to the filing of a written request for an investigation;

- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and conformity.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1121, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1121, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ihara).

SCRep. 665 Judiciary and Labor on S.B. No. 1120

The purpose and intent of this measure is to allow the Labor and Industrial Relations Appeals Board the option to provide notice of a hearing by posting on its webpage when service by first class mail has been unsuccessful.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and the Labor and Industrial Relations Appeals Board.

Your Committee finds that under existing law, if the Labor and Industrial Relations Appeals Board is unable to effect service of a hearing notice by first class mail, it may effect notice by publication in a newspaper. The Labor and Industrial Relations Appeals Board has testified that this measure would provide it with an effective and cost-saving alternative to effecting notice of a hearing.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1120 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 666 (Majority) Judiciary and Labor on S.B. No. 1022

The purpose and intent of this measure is to propose a constitutional amendment to repeal the one-year minimum Hawaii residency requirement to qualify for appointment as an officer of a department pursuant to article V, section 6, of the Constitution of the State of Hawaii.

Your Committee received testimony in support of this measure from the Governor of the State of Hawaii.

Your Committee finds that the leaders of the State's principal departments should be selected from among the best and brightest candidates. Removing the one-year minimum Hawaii residency requirement will provide greater flexibility to future administrations to recruit individuals with the best qualifications, including former Hawaii residents that wish to return to Hawaii to serve in state government.

Your Committee has amended this measure by amending the question to be placed on the ballot to refer to "officers of a principal department" rather than "executive of a principal department".

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1022, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1022, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 667 (Majority) Ways and Means on S.B. No. 1299

The purpose and intent of this measure is to establish maximum dollar amounts to be distributed among certain non-general funds from the conveyance tax.

Specifically, this measure provides that:

- (1) Ten percent or \$7,600,000, whichever is less, of the conveyance tax shall be paid into the land conservation fund;
- (2) Fifty percent or \$38,000,000, whichever is less, of the conveyance tax shall be paid into the rental housing trust fund; and
- (3) Twenty-five percent, or \$19,000,000, whichever is less, shall be paid into the natural area reserve fund.

Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, the Hawaii Appleseed Center for Law and Economic Justice, The Trust for Public Land, The Nature Conservancy, and PHOCUSED. The Tax Foundation of Hawaii provided comments on the measure.

Your Committee finds that under the present tax structure, certain non-general funds receive a specified percentage of conveyance tax revenues, with no limit on the total amount of tax revenue that may be received each fiscal year. Your Committee further finds that placing a cap on the amount of conveyance tax revenues received by these non-general funds will promote budgetary planning and transparency by:

- (1) Making forecasts of general fund revenues more reliable;
- (2) Increasing legislative oversight of the agencies and programs supported by those non-general funds; and

- (3) Increasing competition for limited public funds among agencies and programs seeking funds additional to those automatically distributed to their non-general funds.

Your Committee further finds that the practice of automatically earmarking funds that fluctuate over time is not in the best interest of either the State or the recipient program. Without legislative involvement in the distribution of funds, determinations as to whether or not programs are receiving too little or too much resources are often not made in a timely manner. This has resulted in some programs requiring additional funds and other programs building up large reserves that could have been better utilized for other programs and services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1299 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Chun Oakland, Riviere). Noes, 1 (Ruderman). Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 668 Judiciary and Labor on S.B. No. 1213

The purpose and intent of this measure is to allow an employer to seek a temporary restraining order and injunction against harassment of an employee or invitee who may be harassed at the employer's worksite.

Your Committee received comments on this measure from the Judiciary and Hawaii Government Employees' Association.

Your Committee finds that this measure would assist in reducing instances of workplace violence by allowing employers to seek protective orders and injunctive relief on behalf of employees and invitees while they are at the workplace.

Your Committee has amended this measure by:

- (1) Amending the definitions of "employee" and "employer" and adding a definition for "invitee";
- (2) Removing a provision requiring that an employer pay the defendant's attorney's fees and costs if the petition is denied or set aside on appeal;
- (3) Providing that an employee or witness shall not have immunity from liability for an action taken with malicious intent, rather than malice;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1213, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1213, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 669 Judiciary and Labor on S.B. No. 1156

The purpose and intent of this measure is to amend or repeal various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii for the purposes of correcting errors and references, clarifying language, and deleting obsolete or unnecessary provisions.

Your Committee received testimony in support of this measure from the Legislative Reference Bureau.

Your Committee finds that this statutory revision measure is submitted by the Legislative Reference Bureau pursuant to chapter 23G, Hawaii Revised Statutes. All amendments proposed by this measure are of a technical nature to correct errors, omissions, or obsolete law. Prior to submission of this measure, it was reviewed by the Attorney General, and a memorandum explaining each proposed amendment was submitted to the Chair of your Committee.

Your Committee has amended this measure by:

- (1) In section 29, amending the offense described in section 712-1209.6(1)(b), Hawaii Revised Statutes, to "trafficking in persons" and amending the statutory reference from "section 7102(14)" to "section 7102(9)(A)"; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1156, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1156, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 670 Judiciary and Labor on S.B. No. 937

The purpose and intent of this measure is to change the disclosure deadline for financial interests to be filed with the Hawaii State Ethics Commission from between January 1 and May 31 to between January 1 and January 15 of each year.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Hawaii State Ethics Commission.

Your Committee finds that this measure amends the filing period for certain individuals to file a financial disclosure statement to the State Ethics Commission. However, your Committee notes that the language under section 84-17(b), Hawaii Revised Statutes (HRS), was amended under Act 125, Session Laws of Hawaii 2013, to require members of the Legislature to file their annual financial disclosure statements between January 1 and January 31 of each year and state employees and certain boards members to file their financial disclosure statements between January 1 and May 31 of each year.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the language of section 84-17(b), HRS, with language that recites the existing law of that section and further amends the language to change the disclosure statement deadline for financial interests for legislators from between January 1 and January 31 to between January 1 and January 15 of each year; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 937, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 937, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 671 Judiciary and Labor on S.B. No. 476

The purpose and intent of this measure is to:

- (1) Require the State Ethics Commission to provide a confidential copy of board and commission members' most recent financial disclosures to the Governor, all other members of the filer's board or commission, and executive director of the applicable agency; and
- (2) Require the recipients of the disclosures to maintain the confidentiality of the disclosures.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission and Hawaii Strategic Development Corporation.

Your Committee finds that existing law requires annual financial disclosure statements to be filed with the Hawaii State Ethics Commission by members of every state board or commission whose original terms of office are for periods exceeding one year and whose functions are not solely advisory. These financial disclosure statements help inform the public of whether a board or commission member may have a potential conflict of interest. This measure enables the Governor, other members, and executive director of the applicable agency of each respective board or commission to determine if any member may have a conflict of interest in voting on any particular matter before the respective board or commission.

Your Committee has amended this measure by:

- (1) Deleting the purpose section in section 1; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 476, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 476, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 672 Judiciary and Labor on S.B. No. 152

The purpose and intent of this measure is to:

- (1) Specify the criminal offenses for which biological evidence must be retained for a certain period following a conviction and the standards for uses of retained evidence; and
- (2) Establish a process for the disposal of biological evidence earlier than the prescribed period for retention.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Police Department, City and County of Honolulu; Police Department, County of Maui; and Police Department, County of Hawaii. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and Community Alliance on Prisons. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that the existing requirements for the retention of biological evidence are broad and require the police to retain all evidence that may contain biological evidence in any case in which there has been a conviction. The requirements apply to all felony, misdemeanor, and petty misdemeanor cases that resulted in convictions regardless of whether the identity of the perpetrator was an issue. This measure establishes reasonable and manageable requirements for the retention of biological evidence while providing convicted defendants the opportunity to object to the disposal of the biological evidence that are related to their case.

Your Committee has amended this measure by:

- (1) Deleting the public defender as a recipient of the filed notification of proposed disposal of the evidence if the defendant's attorney of record is unavailable to be served;

- (2) Authorizing the court to order that service of the filed notification of proposed disposal of the evidence be made by publication of the notice under certain conditions;
- (3) Authorizing the court to allow the evidence custodian to dispose of portions of evidence under certain conditions;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 152, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 152, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara). Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 673 (Joint) Judiciary and Labor and Commerce and Consumer Protection on S.B. No. 1010

The purpose and intent of this measure is to:

- (1) Establish that an attorney who is not licensed or authorized to practice law in the State commits the unauthorized practice of law when the attorney provides legal services to or for a person in the State;
- (2) Add a definition of “legal services”; and
- (3) Clarify that the unauthorized practice of law does not apply to an attorney providing legal services to an organization in another jurisdiction as in-house counsel or to an affiliated entity or employee of that organization in the State.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General. Your Committees received comments on this measure from the Judiciary.

Your Committees find that the Hawaii Supreme Court is authorized to regulate the examination, licensure, and discipline of attorneys licensed to practice law in Hawaii. Despite the rules in place to regulate licensed attorneys in Hawaii, issues have arisen concerning the oversight of attorneys who conduct legal services in Hawaii, but are not licensed to practice law in this State. By establishing an offense of unauthorized practice of law, this measure assists in protecting consumers in such situations.

Your Committees recognize the efforts of the stakeholders developing language subsequent to the public hearing on this measure.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the new section added to chapter 605, Hawaii Revised Statutes (HRS), and replacing it with language that amends section 605-14, HRS, that:
 - (A) Allows a person who is not licensed or authorized to practice law in the State to provide legal services on a temporary basis in this State if the attorney provides services in association with or assists a Hawaii licensed attorney or as in-house counsel to an organization in another jurisdiction or to an affiliated entity or employee of that organization in the State; and
 - (B) Requires the Clerk of the Supreme Court to maintain a registry of all attorneys who are not licensed or authorized to practice law in the State, but provide services for a matter that is not being litigated in any court of the State;
- (2) Making conforming amendments to the attorney licensure requirements under section 605-2, HRS;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1010, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1010, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kidani, Taniguchi, Slom).

SCRep. 674 Judiciary and Labor on S.B. No. 615

The purpose and intent of this measure is to propose an amendment to the Constitution of the State of Hawaii to clarify the responsibilities and procedures for judicial appointments pursuant to article VI, section 3.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that this measure would clarify responsibilities and procedures with regard to judicial appointments pursuant to article VI, section 3, of the Constitution of the State of Hawaii. Specifically, this measure would seek to avoid the situation that

occurred in 2012 with regard to the nomination of a Supreme Court justice by the Governor. In that situation, the Governor informed the Senate of the appointment thirty-two days after being presented with a list of nominees from the Judicial Selection Commission, which was two days after the expiration of the constitutionally mandated thirty-day time period. However, the appointment was deemed valid by the Attorney General under the reasoning that the Governor's initial press conference to announce the nomination occurred five days prior to the expiration of the thirty-day period and was thus determined to be an open and unequivocal act of providing notice to the Senate. Consequently, the Attorney General's determination of the date of the Governor's appointment effectively shortened the Senate's constitutionally authorized thirty days to consider the appointment.

Your Committee finds that it would be beneficial for the state constitution to be amended to clarify that written notice of a nomination must be given to the Legislature by the Governor.

Your Committee has amended this measure by clarifying the question to be placed on the ballot to reference that the Senate has thirty days from receipt of written notice to take action on a judicial nomination.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 615, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 615, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 675 (Majority) Judiciary and Labor on S.B. No. 1012

The purpose and intent of this measure is to allow an employee who has suffered a tangible adverse employment action resulting from a supervisor's discriminatory action to sue the employer, subject to an affirmative defense provided to the employer.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Society for Human Resource Management Hawaii, Chamber of Commerce Hawaii, and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii State Commission on the Status of Women, Hawaii Civil Rights Commission, Democratic Party of Hawaii Women's Caucus, ILWU Local 142, American Civil Liberties Union of Hawaii, and three individuals.

Your Committee finds that this measure helps to create a fair balance between the rights of an employee who has suffered a tangible discriminatory action by a supervisor and an employer who has provided programs and training to avoid situations of harassment by a supervisor. Your Committee notes that proponents of this measure have indicated a willingness to work with opponents to this measure for the purpose of developing language that may be more agreeable to both parties.

Your Committee has amended this measure by:

- (1) Removing section 1, which would have created a new section in chapter 378, Hawaii Revised Statutes;
- (2) Inserting a new section 1 that adds to the exemptions from liability in section 378-3, Hawaii Revised Statutes, by providing that chapter 378, Hawaii Revised Statutes, shall not impose liability on an employer for harassment by a supervisor unless the supervisor's agency status is proven to have been used to effect the harassment;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1012, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1012, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Ihara).

SCRep. 676 Judiciary and Labor on S.B. No. 451

The purpose and intent of this measure is to prohibit state employees who are subject to the State Ethics Code from taking any official action directly affecting a business or other undertaking in which a parent, sibling, or emancipated child has a substantial financial interest.

Your Committee received testimony in support of this measure from the State Ethics Commission, Common Cause Hawaii, League of Women Voters of Hawaii, and one individual.

Your Committee finds that under existing law, a state employee must abstain from taking official action affecting a business in which the employee, the employee's spouse, or a dependent child of the employee has a financial interest. However, a state employee is not required under existing law to abstain from taking official action affecting a business in which a parent, sibling, or an adult child of the state employee holds financial interest. This measure reduces the appearance of a conflict of interest.

Your Committee has amended this measure by:

- (1) Inserting clarifying language proposed by the Hawaii State Ethics Commission to indicate that a "financial interest" for the purpose of this new limitation does not further apply to a spouse or minor child of the specified persons despite the definition of "financial interest" in section 84-3, Hawaii Revised Statutes (HRS);
- (2) Adopting clarifying language suggested by the State Ethics Commission, which applies to only paragraph (1) of section 84-14(a), HRS, the prohibition of a board or commission member with a particular qualification from taking official action that directly or specifically affects a business in which the board or commission member has a substantial interest only if the substantial interest is related to the board or commission member's particular qualification;

- (3) Changing the reference to “emancipated child” to “adult child” to conform with more precise family law terminology; and
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 451, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 677 Judiciary and Labor on S.B. No. 265

The purpose and intent of this measure is to:

- (1) Replace “promoting prostitution” with “sex trafficking” by:
 - (A) Amending the offense of promoting prostitution in the first degree to be “sex trafficking in the first degree” and establishing a fine not to exceed \$50,000;
 - (B) Amending the offense of promoting prostitution in the second degree to be “sex trafficking in the second degree”, including paying or offering to pay a person for sexual conduct with reckless disregard of the fact that the person may be a victim of sex trafficking in the first degree, and establishing a fine not to exceed \$25,000; and
 - (C) Making conforming amendments to reflect the change from “promoting prostitution” to “sex trafficking”;
- (2) Include the offense of sex trafficking in the Department of the Attorney General’s statewide witness program;
- (3) Include the offenses of labor trafficking in the first and second degrees and sex trafficking in the first and second degrees in the list of violent crimes for which victims may be eligible for criminal injury compensation;
- (4) Remove the statute of limitations for the offenses of sex trafficking in the first and second degrees;
- (5) Increase the penalty for the offense of solicitation of a minor for prostitution from a class C felony to a class B felony;
- (6) Add the offenses of sex trafficking in the first and second degrees to the list of crimes for which an order to intercept wire, oral, or electronic communications is permitted; and
- (7) Include the offenses of sex trafficking in the first and second degrees to the list of offenses in which deferred acceptance of guilty plea or nolo contendere plea does not apply.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Office of the Prosecuting Attorney, County of Kauai; Hawaii Catholic Conference; Hawaii Family Forum; The Pacific Alliance to Stop Slavery; Americans for Democratic Action – Hawaii; IMUAlliance; Ho’ōla Nā Pua; Family Programs Hawaii; Shared Hope International; and fifty-nine individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender; Department of the Prosecuting Attorney, City and County of Honolulu; and Police Department, City and County of Honolulu.

Your Committee acknowledges that the existing laws relating to prostitution and promoting prostitution may not be suitable to address certain circumstances in which coercion or other inability to consent are present. In those situations, the person who engages in sexual services should not be characterized as a “prostitute”, as is the case, for example, in section 712-1201, Hawaii Revised Statutes (HRS). However, your Committee recognizes that there may be situations in which a person may presumably consent to engage in sexual conduct in return for monetary consideration. To the extent that there appears to be little social consensus at this time to repeal laws prohibiting acts of “prostitution”, your Committee finds that those laws should remain largely as codified at this time.

Therefore, your Committee finds it more appropriate to create a new section in chapter 712, HRS, to address a new offense of “sex trafficking”. This new section should rely on certain elements not found in part I of chapter 712, HRS, relating to prostitution. Rather, this new section should incorporate elements similar to those specified in the prohibitions on labor trafficking found in part VIII of chapter 707, HRS, and apply those elements to the context of “sexual services”, which is defined by reference to various existing statutes dealing with sexual conduct with the additional context that the services be under the supervision or at the direction of the offender for the offender’s benefit or that of a third person.

Because, as a matter of law, consent by a minor is not enforceable in a commercial transaction, your Committee also finds that section 712-1202(1)(b), HRS, relating to promoting prostitution in the first degree in the case of a minor, should be repealed. Your Committee believes that language substantially similar to section 712-1202(1)(b), HRS, should be inserted into the new offense of sex trafficking to serve as “per se” sex trafficking, i.e. causing a person to engage in sexual services without any additional necessary elements of coercion.

Accordingly, your Committee has amended this measure by:

- (1) Creating the new offense of sex trafficking in chapter 712, HRS, to:
 - (A) Require that the offender intentionally or knowingly procure, provide, or obtain another person for the purpose of causing the other person to engage in sexual services;
 - (B) Require no additional coercive circumstances if the person subjected to sex trafficking is less than eighteen years old;
 - (C) Enumerate coercive circumstances required to be present in the case of a person subjected to sex trafficking who is eighteen years old or older;

- (D) Define “sexual services” as “sexual conduct” by referencing existing statute with the additional requirement that the services be performed at the direction or under the supervision of the offender for the benefit of the offender or any third person; and
- (E) Provide immunity from criminal prostitution charges and liability for a person subjected to sex trafficking;
- (2) Reinstating statutory references to “promoting prostitution,” as that offense will remain, but deleting the reference to victims under the age of eighteen under the offense of promoting prostitution in the first degree;
- (3) Removing sections that:
 - (A) Amend portions of certain sections, subsections, and a definition in chapter 663J, HRS, relating to civil liability in specific cases of coercion into prostitution;
 - (B) Modify the statute of limitations for the offenses of sex trafficking in the first and second degrees because the existing six-year statute of limitations for class A felonies would apply as a matter of law to the new proposed offense of sex trafficking;
 - (C) Alter the language that increases the penalty for the offense of solicitation of a minor for prostitution from a class C felony to a class B felony; and
 - (D) Delete various conforming amendments that replaces “promoting prostitution” with “sex trafficking”; and
- (4) Making various conforming amendments to reflect the changes in establishing the offense of sex trafficking instead of the offenses of sex trafficking in the first and second degrees;
- (5) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 265, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 265, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 678 Judiciary and Labor on S.B. No. 1344

The purpose and intent of this measure is to require noncandidate committees making only independent expenditures to report whether its contributors and recipients are subject to disclosure reporting requirements and provide access to the contributor's and recipient's reportable funding information.

Your Committee received testimony in support of this measure from the Department of the Attorney General. Your Committee received comments on this measure from the Campaign Spending Commission.

Your Committee finds that this measure adds an additional level of disclosure to several sections of Hawaii's campaign finance laws to further assist voters to “follow the money” and determine the individuals, organizations, or businesses seeking to influence their vote. Existing law requires political action committees that make only independent expenditures (more commonly known as SuperPACs) to disclose the names of the organizations or individuals that have contributed money to them. This measure requires SuperPACs to disclose additional information to aid voters in determining the sources of funding behind those contributors to the SuperPACs.

Your Committee notes the concerns raised in the written testimony submitted by the Department of the Attorney General regarding how this measure may withstand a constitutional challenge. As a result, your Committee sought assistance from the Department to develop language to further clarify and strengthen this measure.

Your Committee further notes that this measure addresses the political spending of “dark money” groups that include section 501(c)(4) and 501(c)(6) nonprofit organizations. The Campaign Spending Commission submitted written testimony that during the 2014 election, the top twenty-five SuperPAC contributors received a total of \$7,825,793.45 and independent expenditure committees spent \$2,221,733.33 on advertising and \$1,037,750.44 on printing, postage, and mailing with the largest expenditure of \$2,690,024.36 under the category of “Other”.

Accordingly, your Committee has amended this measure by:

- (1) Adopting language developed by the Department of the Attorney General that:
 - (A) Requires additional reports from noncandidate committees making only independent expenditures if a contribution of more than \$10,000 in the aggregate or a late contribution of more than \$5,000 in the aggregate is received from an entity;
 - (B) Requires noncandidate committees making only independent expenditures to report the identities of the contributing entity that is subject to disclosure reporting requirements regarding the source of the contributions; and
 - (C) Requires noncandidate committees making only independent expenditures to acknowledge, if applicable, that the contributing entity is not subject to disclosure reporting requirements regarding the source of the contributions;
- (2) Deleting section 1 and renumbering the sections accordingly; and
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1344, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1344, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 679 Higher Education and the Arts on S.B. No. 877

The purpose and intent of this measure is to:

- (1) Require that fifty-year-old privately owned single-family residences be considered historic properties for purposes of chapter 6E, Hawaii Revised Statutes, only if they are listed or nominated for listing on the Hawaii Register of Historic Places or located in a historic district; and
- (2) Exempt properties not included or eligible for listing on the Hawaii Register of Historic Places from review under section 6E-42, Hawaii Revised Statutes, and direct the counties to not submit projects affecting such properties for historic review.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii, Land Use Research Foundation of Hawaii, Building Industry Association-Hawaii, Complete Construction Services Corp., Hawaii Association of REALTORS, and one individual. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs, Society for Hawaiian Archaeology, and Historic Hawaii Foundation. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the intent of this measure is to categorically exclude certain single-family residences from the definition of historic property for purposes of historic preservation consideration. Additionally, this measure is intended to address the longstanding issue of extended delays during permit review of projects involving single-family residences that fall under the existing statutory language of section 6E-2, Hawaii Revised Statutes.

Your Committee finds that the State Historic Preservation Division (SHPD) of the Department of Land and Natural Resources has recently enacted internal administrative reforms that have effectively resolved the issue of permit review delays. More specifically, these reforms have resulted in a laudable turnaround time of five days in which SHPD now reviews a residential permit. Accordingly, it appears the issue has been resolved and no longer requires legislative action.

Your Committee further finds that the provisions of this measure, which excludes properties not included or eligible for listing on the Hawaii Register of Historic Places, are not narrow enough to reflect the measure's intent to focus on exempting only single-family residences. This measure as currently written would weaken existing protections for historic sites by providing a blanket exemption for unintended properties. More specifically, the criteria for an exemption would apply to all private properties not included or eligible for listing on the Hawaii Register of Historic Places. This far-reaching exemption extends far beyond this measure's intended purpose to provide an exemption only to single-family residences.

Your Committee further finds that this broad exemption language would additionally alter the existing review process in which SHPD initially determines whether or not an affected property satisfies the criteria required to be listed on the Hawaii Register of Historic Places.

If enacted as currently written, this measure would replace SHPD's role in the initial review process with the permitting agency of each county. The current process should not be altered because SHPD's in-house expertise provides a clear benefit for all involved parties. Notably, such expertise may be lacking in the county permitting agencies. Your Committee finds that SHPD's in-house expertise is particularly necessary at the stage of initial review to ensure minimal delay-causing obstacles during subsequent construction. Accordingly, it is crucial that the initial decision of eligibility for a review exemption remain with SHPD.

Your Committee accordingly finds that, if enacted as currently written, this measure would produce two significant results affecting historic properties. The first result would be an unintended and wide-reaching exemption for properties that are not single-family residences and are not included or eligible for inclusion on the Hawaii Register of Historic Places. The second result would be the alteration of an existing SHPD practice of determining initial eligibility which has helped SHPD address the problem of delay in permit reviews.

Your Committee has amended this measure by:

- (1) Amending the purpose section to state the cultural value in historic preservation and more clearly articulate the purpose and intent;
- (2) Inserting language to require SHPD to temporarily direct its resources to initiate a survey project to identify potential historic districts and single-family residences in the State that may be eligible for inclusion on the Hawaii Register of Historic Places;
- (3) Inserting language to require SHPD to notify the owner of property that may be eligible for inclusion on the Hawaii Register of Historic Places;
- (4) Inserting language to further require SHPD to submit a report on its compliance with this measure to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018;
- (5) Deleting language exempting properties not included or eligible for listing on the Hawaii Register of Historic Places from review under section 6E-42, Hawaii Revised Statutes, and prohibiting counties from submitting projects affecting such properties to the Department of Land and Natural Resources for review;
- (6) Repealing this measure on December 31, 2018; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 877, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 877, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kahele, Kidani).

SCRep. 680 Ways and Means on S.B. No. 40

The purpose and intent of this measure is to require the licensing of behavior analysts.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, the Special Education Advisory Council, the Hawaii Association for Behavior Analysis, the Autism Behavior Consulting Group, and nine individuals. Written comments on the measure were received from the Office of the Director, the Regulated Industries Complaints Office, and the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that behavior analysts are currently credentialed through the Behavior Analyst Certification Board. However, there is growing interest in licensure at the state level to protect the rights of behavior analysts to practice their discipline and increase consumer protection. More importantly, it is imperative that the licensing of behavior analysts begin concurrently with any mandated coverage for the diagnosis and treatment of autism. Federal law requires providers to be licensed in order to participate in Medicaid.

Your Committee has amended this measure by:

- (1) Exempting the licensing program for behavior analysts established in the measure from the requirement for a sunrise analysis by the Auditor; and
- (2) Changing the effective date to July 1, 2053, in order to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 40, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 40, S.D. 3.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Ruderman, Slom).

SCRep. 681 (Majority) Ways and Means on S.B. No. 1032

The purpose and intent of this measure is to strengthen the cigarette tax and tobacco tax law.

Specifically, the measure:

- (1) Expands the definition of "tobacco products" to include products that do not contain tobacco, but contain nicotine;
- (2) Increases the license fees of cigarette and tobacco product wholesalers and dealers; and
- (3) Increases the retail tobacco permit fees of retailers.

Your Committee received written comments in support of this measure from the Department of Health, the University of Hawaii Cancer Center, the American Cancer Society Cancer Action Network, the American Heart Association, the Coalition for a Tobacco Free Hawaii, and one individual. Written comments in opposition to this measure were received from the Hawaii Cigar Association, the Hawaii Food Industry Association, Kauai Cigar Company, PC Gamerz, Volcano Fine Electronic Cigarettes, and eight individuals. Written comments on the measure were received from the Department of Taxation.

Your Committee finds that the license and retail tobacco permit fees have remained unchanged since 1995, despite high tobacco taxes and ever-increasing tobacco industry expenditures in marketing and advertising. Tobacco licensing is an effective tool for limiting the negative public health consequences of tobacco use and for ensuring that wholesalers and retailers follow responsible sales practices.

Your Committee has amended this measure by:

- (1) Changing the license and permit fees to unspecified amounts; and
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1032, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1032, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 682 Judiciary and Labor on S.B. No. 470

The purpose and intent of this measure is to clarify that property or natural resources used or taken in violation of laws or rules pertaining to the Kaho'olawe Island Reserve may be subject to seizure, disposal, and forfeiture in accordance with existing law if the offense occurs within the fast lands of the reserve or by persons or on vessels located in the area extending seaward one nautical mile of the shoreline of the Kaho'olawe Island Reserve.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs and thirteen individuals. Your Committee received testimony in opposition to this measure from the Activities & Attractions Association of Hawaii; Kahikolu Ltd., d/b/a Quiksilver; Ocean Tourism Coalition; and Maui Chamber of Commerce.

Your Committee finds that the Hawaii Supreme Court, in Carlisle v. One (1) Boat, overturned an Intermediate Court of Appeals decision that allowed non-natural resource forfeiture in cases of natural resource destruction or degradation. According to the decision, the penalty provisions for violations of laws or administrative rules relating to resource protection, which would include those of the Kaho'olawe Island Reserve Commission, must specifically authorize forfeiture. By providing the civil enforcement mechanism of asset forfeiture, this measure provides a critical tool to address and deter violations of laws and rules with respect to the restoration and protection of the Kaho'olawe Island Reserve and its natural and cultural resources.

Your Committee has amended this measure by:

- (1) Clarifying that civil asset forfeiture is subject to limitations on excessive forfeitures under section 712A-5.5, Hawaii Revised Statutes;
- (2) Requiring the Kaho'olawe Island Reserve Commission to adopt rules with the Department of Land and Natural Resources to implement the forfeiture penalties; and
- (3) Making a conforming amendment to the purpose section.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 470, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 470, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 683 Judiciary and Labor on S.B. No. 1144

The purpose and intent of this measure is to clarify the application of the State Ethics Code to allow technology transfer activities sponsored by the University of Hawaii so long as the activities are likely to create specific benefits to the State or the public, notwithstanding the simultaneous creation of a commercial benefit or individual personal benefit.

Your Committee received testimony in support of this measure from the University of Hawaii System, Chamber of Commerce Hawaii, and two individuals.

Your Committee finds that chapter 84, Hawaii Revised Statutes (HRS), relating to the State Ethics Code, is of utmost importance to government. However, your Committee notes that public-private partnerships undertaken by certain persons at the University of Hawaii in critical fields of technology research result in great public benefit that would be substantially constricted or become impossible to achieve without qualifying language under the State Ethics Code.

Accordingly, your Committee has amended this measure by:

- (1) Amending section 1 to reflect the legislative finding that the University of Hawaii has established a regulatory framework and research compliance program and that the University periodically updates its policies and procedures to reflect best practices currently in place at peer institutions;
- (2) Deleting section 2 and inserting language that:
 - (A) Creates a new section under chapter 84, HRS, to clarify that persons involved in technology transfer activities are exempt from the State Ethics Code with the qualification that these persons comply with a regulatory framework and research compliance program approved by the Board of Regents of the University of Hawaii; and
 - (B) Adds a definition of "technology transfer activities";
- (3) Requiring the Board of Regents of the University of Hawaii to submit a written report to the Legislature regarding the development and implementation of its regulatory framework and research compliance program no later than twenty days prior to the convening of the Regular Session of 2016; and
- (4) Changing the effective date from July 1, 2050, to January 7, 2059, to encourage further discussion and establishing a sunset date of June 30, 2020.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1144, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1144, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 684 Judiciary and Labor on S.B. No. 2

The purpose and intent of this measure is to:

- (1) Limit the liability of port pilots to a specified monetary limit of damages or loss occasioned by a pilot's errors, omissions, fault, or negligence in the performance of pilotage or in the training of pilots, except for acts or omissions of the pilot in the performance of pilotage or in the training of pilots that constitute willful, intentional, or reckless misconduct;
- (2) Require every vessel, not just those involved in trade or commerce, entering or departing from any port in the State or traversing the waters of the State designated as pilotage waters to employ a licensed pilot unless otherwise exempt;

- (3) Exempt vessels under three hundred gross tons from pilotage regulation under chapter 462A, Hawaii Revised Statutes; and
- (4) Require the Department of Commerce and Consumer Affairs, in consultation with the Hawaii Pilots Association, to submit a written report to the Legislature regarding:
 - (A) Continuing education requirements for port pilots;
 - (B) Investigations of port pilots who are renewing their licenses to determine their qualifications; and
 - (C) Any other matters relevant to the professional competencies and education of port pilots when applying for a license or renewing a license.

Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that port pilots have the responsibility of ensuring the safe movement of all types of vessels in Hawaii's commercial harbors, including cruise ships, oil tankers, and container ships. Port pilots go aboard ships before they enter or depart from a harbor. Once on board a ship, the pilot directs the movement of the vessel as it moves throughout the harbor. Inattention, complacency, wrong decisionmaking, or a simple mistake by the port pilot could lead to vessel casualty with high monetary damages or loss of life, the end of the pilot's career, and financial loss for the pilot. This high risk of liability could hinder efforts to attract and maintain sufficient numbers of qualified pilots and threaten the State's ability to maintain effective compulsory pilotage systems.

Your Committee has amended this measure by:

- (1) Deleting the language under section 1, which would have limited the liability of port pilots to a specified monetary limit of damages or loss occasioned by a pilot's errors, omissions, fault, or negligence, and replacing it with language that requires a vessel and the owner or operator of the vessel to defend, indemnify, and hold harmless the pilot, any pilot association to which the pilot belongs, and their officers and employees, with respect to liability arising from any claim, suit, or action, by whomever asserted, resulting in whole or in part from any act, omission, or negligence of the pilot, any pilot association to which the pilot belongs, and their officers and employees;
- (2) Deleting section 4, which would have required the Department of Commerce and Consumer Affairs to submit a written report to the Legislature, and inserting language that:
 - (A) Requires the renewal of a pilot license to be in accordance with the Uniform Professional and Vocational Licensing Act under chapter 436B, Hawaii Revised Statutes; and
 - (B) Requires the Director of Commerce and Consumer Affairs to develop appropriate standards for renewal of licensure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 685 Judiciary and Labor on S.B. No. 419

The purpose and intent of this measure is to allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions.

Your Committee received testimony in support of this measure from the Neighborhood Commission Office, City and County of Honolulu; Hawaii Kai Neighborhood Board; Waikiki Neighborhood Board; and four individuals. Your Committee received testimony in opposition to this measure from the League of Women Voters of Hawaii, The Civil Beat Law Center for the Public Interest, and four individuals.

Your Committee finds that there have been widespread complaints regarding the inability of neighborhood board members to attend informational events due to the Sunshine Law. Under section 92-82, Hawaii Revised Statutes (HRS), if at least a number that constitutes a quorum of neighborhood board members attends any meetings or presentations open to the public, those members in attendance may be in violation of the Sunshine Law. Implementation of this measure will allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions, and increase communication between neighborhood board members and constituents.

Your Committee has amended this measure by:

- (1) Repealing the language under section 92-82(a), HRS, to avoid redundancy with the new language proposed under that subsection; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 419, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 419, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 686 (Majority) Judiciary and Labor on S.B. No. 682

The purpose and intent of this measure is to prohibit discrimination against medical marijuana patients and caregivers by schools, landlords, employers, courts, and licensing boards, or with regard to medical care or parental rights.

Your Committee received testimony in support of this measure from The Drug Policy Action Group, Hawaii Substance Abuse Coalition, and four individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources, City and County of Honolulu; Police Department, City and County of Honolulu; and one individual. Your Committee received comments on this measure from the Department of Health and Department of the Attorney General.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 2, which deletes the contents of the measure and inserts sections 6 and 7 from S.B. No. 1302, S.D. 1 (Regular Session of 2015) to:

- (1) Allow a qualifying patient, parent, primary caregiver, or an owner or employee of a medical marijuana production center or dispensary to transport medical marijuana in any public place; and
- (2) Repeal the requirement that a certifying physician be the qualifying patient's primary care physician,

contingent upon passage of S.B. No. 1302 (Regular Session of 2015), as amended.

Your Committee received testimony in support of the proposed S.D. 2 from The Drug Policy Forum of Hawaii, The Drug Policy Action Group, Community Alliance on Prisons, Hawaii Cannabis Care, and seven individuals. Your Committee received testimony in opposition to the proposed S.D. 2 from the Department of Human Resources, City and County of Honolulu; and Police Department, City and County of Honolulu. Your Committee received comments on the proposed S.D. 2 from the Department of the Attorney General.

Your Committee notes that S.B. No. 1291 (Regular Session of 2015), as amended, is currently moving through the legislative process and has language substantially similar to this measure. As a result, your Committee has inserted certain parts of this original measure into S.B. No. 1291. Your Committee further notes that the Department of the Attorney General noted bill title concerns regarding sections 6 and 7 under S.B. No. 1302 (Regular Session of 2015) when this measure was previously heard by the Committees on Health, Public Safety, Intergovernmental and Military Affairs, and Judiciary and Labor. Your Committee finds that this measure has a more appropriate bill title for the two sections for which the Department of the Attorney General expressed concerns.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 2 and further amending the proposed S.D. 2 by adopting the language suggested by the Department of the Attorney General that:

- (1) Clarifies that the transportation of medical marijuana in public places shall be in a sealed container, not be visible to the public, and not be removed from its sealed container or consumed or used in any way while it is in the public place; and
- (2) Deletes "parent" from the list of individuals authorized to transport medical marijuana in a public place.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 682, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 682, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, 1 (Slom). Excused, 1 (Ihara).

SCRep. 687 Judiciary and Labor on S.B. No. 1113

The purpose and intent of this measure is to expand the authority of the Department of Health to conduct background checks to include criminal history record checks, sex offender registry record checks, adult abuse perpetrator and child abuse and neglect record checks, and certified nurse aide registry record checks for persons seeking employment with the State or its contractors where the work involves direct client care and volunteers, applicants, and operators of healthcare facilities.

Your Committee received testimony in support of this measure from the Department of Health and State Council on Developmental Disabilities. Your Committee received comments on this measure from the Hawaii Civil Rights Commission.

Your Committee finds that individuals with developmental disabilities, as well as children and the elderly populations, are considered vulnerable to potential abuse, neglect, and mistreatment by family members, caregivers, and others who have direct access to them. This measure provides protection to the public when they seek health care services at licensed or certified healthcare facilities.

Your Committee has amended this measure by:

- (1) Clarifying that employees employed continuously on a salaried basis prior to July 1, 2015, are exempt from background checks, rather than exempting employees who are hired after July 1, 2015;
- (2) Inserting language to prevent the amendments made to the definition of "healthcare facility" under section 321-15.2(a), Hawaii Revised Statutes, from being repealed when that definition is reenacted on June 30, 2019;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1113, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1113, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 688 Judiciary and Labor on S.B. No. 1291

The purpose and intent of this measure is to prohibit an employer from disciplining, suspending, discharging, or discriminating against an employee who is a patient qualified to use medical marijuana solely because the employee tested positive for marijuana in a substance abuse test.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, The Drug Policy Action Group, and three individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources, City and County of Honolulu; Police Department, City and County of Honolulu; Police Department, County of Maui; Hawaiian Electric Company, Inc.; and Chamber of Commerce Hawaii.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 2, which incorporated certain language from S.B. No. 682, S.D. 1 (Regular Session of 2015) to prohibit discrimination against medical marijuana patients and caregivers by schools, landlords, courts, and licensing boards with regard to medical care or parental rights.

Your Committee received testimony in support of the proposed S.D. 2 from the Hawaii Civil Rights Commission, The Drug Policy Forum of Hawaii, The Drug Policy Action Group, Community Alliance on Prisons, Hawaii Cannabis Care, and seven individuals. Your Committee received testimony in opposition to the proposed S.D. 2 from the Department of Human Resources, City and County of Honolulu; Police Department, City and County of Honolulu; and General Contractors Association of Hawaii. Your Committee received comments on the proposed S.D. 2 from the Department of the Attorney General.

Your Committee finds that some civil protections are necessary to protect registered medical marijuana patients from employment ramifications based solely upon a positive test for marijuana use. Because the State has endorsed marijuana as a legitimate medical treatment, it follows that the State would also provide protection for those who require such treatment, not only from criminal consequences, but from civil consequences as well. This measure does not prohibit an employer from taking disciplinary action against an employee who is a registered medical marijuana patient and whose work suffers, who is intoxicated on the job, or who fails to fulfill employment duties.

However, your Committee notes the testimony submitted by the Hawaii Civil Rights Commission that it is not appropriate or desirable to assign the Commission enforcement jurisdiction over the broader protection for all medical marijuana users, not limited to person with disabilities, for wrongful termination, unlawful suspension, discharge, or discriminatory action, especially in light of the Commission's limited resources and capacity to enforce civil rights protections already under the Commission's jurisdiction.

Your Committee further finds that support for the medical use of marijuana in the State is strong, but existing protections for patients are very weak regarding civil penalties. Patients within the medical marijuana program should not be less secure in their housing, school enrollment, employment, or supplemental medical care than patients who have made different private decisions with their doctors concerning medication.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 2 and further amending the proposed S.D. 2 by:

- (1) Deleting sections 1 and 2, which would have added a new section to chapter 378, Hawaii Revised Statutes (HRS), and amended section 329-125, HRS;
- (2) Adding a purpose section to provide additional information on the challenges faced by medical marijuana patients;
- (3) Changing the effective date from July 1, 2050, to January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1291, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1291, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Thielen, Slom). Noes, none. Excused, 1 (Ihara).

SCRep. 689 Judiciary and Labor on S.B. No. 1331

The purpose and intent of this measure is to:

- (1) Require pretrial risk assessments, pretrial bail reports, and arraignments to be completed within five working days after an arrest;
- (2) Require intake service centers to interview lay sponsors within seven working days of their identification and allow the court to order defendants released on bail, recognizance, or supervised release to report to lay sponsors for supervision;
- (3) Prohibit judicial officers from denying bail absent a pretrial risk assessment score that reflects a high risk of flight or commission of a new criminal offense; and
- (4) Prohibit judicial officers from relying on a bail schedule or bail amount that would have been necessary to prevent release of a defendant during jail overcrowding.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons. Your Committee received testimony in opposition to this measure from the Department of Public Safety; Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kauai; and The Sex Abuse Treatment Center. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that despite the advancement in pretrial assessment since 2012, pretrial lengths of stay for those who are ultimately released before trial have increased, averaging almost seventy days. Pretrial length of stay in Hawaii remains approximately four times as long as the national average. Reentry intake service centers have conducted more timely assessments, but this alone has not produced more timely processing of cases or affected release decisions. The result, incarcerating defendants before they are ultimately released on bail, recognizance, or supervision, and before they plead or are found guilty, is costly for the State. Implementation of this measure will require timely processing and quality information for appropriate pretrial release decisions.

Your Committee has amended this measure by:

- (1) Inserting a blank number of working days within which pretrial risk assessments, pretrial bail reports, and arraignments must be completed after an arrest;
- (2) Inserting a blank number of days within which intake service centers must interview lay sponsors;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1331, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1331, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 690 Judiciary and Labor on S.B. No. 1335

The purpose and intent of this measure is to define “person in custody”, as used in the offense of sexual assault in the third degree, to mean a person who is stopped by or under the control of a law enforcement officer for official purposes, including but not limited to a person stopped by a law enforcement officer for a traffic stop or providing any identification, license, or registration pursuant to a traffic stop.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that there was a recent incident in which a Honolulu police officer was indicted on a third-degree sexual assault charge for knowingly subjecting a teenage girl in custody, as a result of a traffic stop, to sexual contact. However, the indictment against the officer was dismissed with prejudice due to the court’s interpretation of “custody” in section 707-732, Hawaii Revised Statutes (HRS). This measure seeks to provide the courts with clarification on how “custody” is to be interpreted under section 707-732, HRS. Implementation of this measure will further public safety by prohibiting law enforcement officers from knowingly subjecting a person in custody to sexual contact, including during traffic stops.

Your Committee has amended this measure by:

- (1) Amending the offense of sexual assault in the second degree to add a definition of “person in custody” as this offense also uses the term “person in custody”;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1335, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1335, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 691 Judiciary and Labor on S.B. No. 1159

The purpose and intent of this measure is to exempt federal veterans disability benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment, except for certain child and spousal support cases.

Your Committee received testimony in support of this measure from the State Office of Veterans Services of the Department of Defense and three individuals.

Your Committee finds that disabled veterans have sacrificed in the name of duty, honor, and country. The federal benefits that a disabled veteran receives need to be protected from creditors and third parties. Implementation of this measure safeguards federal veterans’ disability benefits, except for in certain child and spousal support cases.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1159, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1159, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 692 Judiciary and Labor on S.B. No. 810

The purpose and intent of this measure is to:

- (1) Require practitioners to register to use the electronic prescription accountability system in order to administer, prescribe, or dispense a controlled substance;
- (2) Require all practitioners administering, prescribing, or dispensing a controlled substance in schedules II through IV to register with the electronic prescription accountability system with renewal of the controlled substance registration beginning January 1, 2016;
- (3) Require all practitioners and practitioner delegates to request patient information from the central repository prior to the practitioner administering, prescribing, or dispensing a controlled substance to a new patient and for any patient that is receiving chronic pain therapy beginning January 1, 2017, with a specific exception;
- (4) Provide pharmacist delegates and practitioner delegates with access to the electronic prescription accountability system; and
- (5) In certain situations, expand access to investigative information in the electronic prescription accountability system to include law enforcement officers and investigative agents of regulatory agencies and various individuals.

Your Committee received testimony in support of this measure from the Department of Public Safety. Your Committee received testimony in opposition to this measure from sixteen individuals. Your Committee received comments on this measure from the Department of Health, Hawaii Medical Association, Hawaiian Humane Society, Hawaii Island Humane Society, and Walgreen Co.

Your Committee finds that prescription drug monitoring programs have been established in most states to track prescriptions of opioid analgesics, sedatives, and amphetamine-type stimulants. By improving the utilization of prescription drug monitoring programs, health care providers can improve patient safety and quality of care.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Public Safety that inserts a definition of “practitioner”, which excludes veterinarians from the list of persons included as a “practitioner”;
- (2) Adopting the language suggested by the Hawaii Medical Association that changes “chronic pain therapy” to “chronic opioid therapy”;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 810, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 810, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 693 Judiciary and Labor on S.B. No. 611

The purpose and intent of this measure is to:

- (1) Allow an ignition interlock permit holder to take necessary tests to apply for relicensing during the final thirty days of the revocation period;
- (2) Prohibit the operation of a vehicle with an ignition interlock permit without a state identification card; and
- (3) Prohibit the operation of a vehicle once a notice of administrative revocation that serves as a temporary permit has expired unless the driver has a valid driver’s license.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Kauai; Police Department, City and County of Honolulu; and Mothers Against Drunk Driving, Hawaii Chapter.

Your Committee finds that currently, a driver whose license is revoked for operating a vehicle under the influence of an intoxicant cannot begin the relicensing process until the end of the revocation period. In order to be relicensed, drivers must take the written examination, obtain an instructional permit, and schedule a road test, all of which may take several months. As such, a person may have to wait a significant amount of time before being fully licensed. In the interim, drivers with an ignition interlock device who may drive unsupervised during their revocation period must have a licensed driver with them while they wait for full licensure. Allowing drivers with a valid ignition interlock permit the opportunity to complete their written and road tests prior to the end of their revocation period would create an additional incentive to install an ignition interlock device, leading to safer roadways. In addition, allowing responsible drivers to be fully relicensed immediately following their revocation period provides them with the opportunity to continue driving legally.

Your Committee further finds that currently, drivers who have a valid ignition interlock permit are not required to show any form of photo identification when stopped by law enforcement. Requiring drivers to have a valid State of Hawaii identification card gives law enforcement officers the ability to positively identify drivers with ignition interlock permits and verify the driver’s license and permit status.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 611, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 611, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 694 Commerce and Consumer Protection on S.B. No. 379

The purpose and intent of this measure is to regulate the direct and indirect sale of cottage food products, defined as non-potentially hazardous foods prepared for sale in a home kitchen or farm kitchen by a cottage food operation, by requiring cottage food operations to obtain a class A cottage food permit or a class B cottage food permit from the Department of Health.

Your Committee received testimony in support of this measure from the Hawai'i Farm Bureau, The Kohala Center, Local Food Coalition, Sustainable Economies Law Center, Counter Culture Food & Ferment, Tasting Kaua'i, Kolo Kai Organic Farm LLC, Steelgrass Farm, and sixteen individuals. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that the cottage food industry, wherein cottage food operators sell non-hazardous food products prepared in a home kitchen or farm kitchen to consumers, is a growing movement across the nation. Cottage food operations can promote local production of food in a sustainable and economically sound manner that benefits consumers and local agriculture. This measure adds two classes for cottage food operations, class A direct sales and class B direct and indirect sales, and defines their regulatory requirements.

Your Committee has heard the concerns regarding the indirect sale of cottage food proposed by this measure. Your Committee has also heard the concerns raised by the Department of Health regarding self-certification, inspections, and multiple classes of cottage foods as proposed by this measure. Your Committee understands these concerns and concludes that amendments to this measure are necessary to simplify the permit process proposed by this measure for cottage food operations in Hawaii.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have permitted the Department of Health to issue class B cottage food permits for the indirect sale of cottage food and deleting other associated references to indirect sales and class B cottage food permits;
- (2) Clarifying the definitions of "cottage food operation", "direct sale", "home kitchen", and "private home" and deleting definitions for "cottage food employee", "indirect sale", and "registered or permitted area";
- (3) Clarifying the requirements for cottage food operations;
- (4) Clarifying the permit requirements for a cottage food operation, including:
 - (A) Requiring the cottage food operation to register with the Department of Health and submit any additional information required by the Department; and
 - (B) Specifying the parameters of the cottage food operation permit, including enabling cottage food operators to sell cottage food products one hundred twenty days out of a three hundred sixty-five day period;
- (5) Amending the list of approved cottage food products by removing fresh fruit juice and sauces, pickles, fermented foods, and acidified foods from the list of approved cottage food products;
- (6) Deleting language that would have specified labeling requirements for cottage food operations;
- (7) Deleting language that would have prohibited certain activities by cottage food operations;
- (8) Deleting language that would have permitted the Department of Health to require routine inspections, access cottage food operations for purposes of conducting inspections, and conduct food sampling;
- (9) Deleting language that would have required a product testing and production process review for sauces, pickles, fermented, and acidified foods;
- (10) Inserting an effective date of January 2, 2050, to encourage further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 379, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 379, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kidani, Taniguchi, Wakai). Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 695 Commerce and Consumer Protection on S.B. No. 798

The purpose and intent of this measure is to:

- (1) Require a pain medication agreement to be executed between a patient and any prescriber of a narcotic drug within the State for use as a pain medication under certain conditions;

- (2) Require the Administrator of the Narcotics Enforcement Division of the Department of Public Safety to develop and make available a template of a pain medication agreement for use in the State; and
- (3) Specify the contents of the pain medication agreement template.

Your Committee received testimony in support of this measure from the Department of Public Safety, Walgreen Co., and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Medical Association. Your Committee received comments on this measure from the American Congress of Obstetricians and Gynecologists, Hawaii Section and The Queen's Health Systems.

Your Committee finds that there is a serious prescription narcotic drug overuse problem in the country and in Hawaii. This measure seeks to address the issue of prescription drug overuse by establishing a safe prescribing protocol for narcotic drugs that also educates a patient regarding the use of prescription pain medication.

Your Committee has heard the concerns that this measure requires a pain medication agreement to be executed for all short-term treatments of pain, which may be burdensome for providers in certain clinical settings. Your Committee notes that this measure is intended to focus on chronic pain medication, and in certain cases, it may not be appropriate for a patient and provider to enter into a pain medication agreement. Amendments to this measure addressing these concerns are therefore needed.

Your Committee also understands the concerns regarding certain aspects of the template for the chronic pain management agreement proposed by this measure. Your Committee notes that the template recommends a single pharmacy to be used for patients receiving chronic pain medication, which would not permit patients to use different stores within a pharmacy network. Your Committee also notes that the penalty for violations referenced in the template is intended to address certain actions by a patient, rather than a provider. Amendments addressing these concerns are therefore needed.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the agreement required to be executed pursuant to this measure is a chronic pain medication agreement;
- (2) Removing language that would have required a chronic pain medication agreement to be executed any time a patient is prescribed a narcotic drug for use as pain medication in the patient's first encounter with a prescriber;
- (3) Clarifying the minimum requirements for the template for the chronic pain management agreement, including:
 - (A) Recommending a single pharmacy or a single network of pharmacies for patients receiving chronic pain medication; and
 - (B) Advising the patient that any patient who violates section 329-42(a)(3), Hawaii Revised Statutes, or section 329-46, Hawaii Revised Statutes, shall be guilty of a class C felony;
- (4) Clarifying that the chronic pain medication agreement proposed by this measure shall not apply to emergency room and urgent care providers or hospice, palliative care, or terminally ill patients and their providers;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion and providing that this measure shall apply to all chronic pain agreements entered into on or after September 1, 2015; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 798, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 798, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahale, Nishihara, Slom).

SCRep. 696 Commerce and Consumer Protection on S.B. No. 1219

The purpose and intent of this measure is to:

- (1) Allow the Department of Labor and Industrial Relations to set criteria for independent contractor status by rule;
- (2) Establish criteria for when the Department of Labor and Industrial Relations shall presume an individual is an independent contractor;
- (3) Enable the Department of Labor and Industrial Relations to certify independent contractors and permitting independent contractors to provide a written copy of that certification to each customer; and
- (4) Place the burden of proving an employer-employee relationship exists on the certified independent contractor if the contractor files an unemployment insurance benefits claim against a customer.

Your Committee received testimony in support of this measure from the National Federation of Independent Business; Chamber of Commerce Hawaii; Society for Human Resources Management, Hawaii Chapter; The Wright Company, LLC; Marry Me Maui Wedding Planners; and four individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations; International Longshore and Warehouse Union, Local 142; Hawaii Regional Council of Carpenters; Hawaii State AFL-CIO; and one individual. Your Committee received comments on this measure from the Department of the Attorney General; Maui Chamber of Commerce; Hawai'i Association of REALTORS; Whalers Realty Management Company, Inc.; Synergy Asia Pacific; Melanie Turner Landscape Maintenance LLC; T.M.C. General Contracting, Inc.; Star Gaze Hawaii; Envisions Entertainment & Productions, Inc.; Von Baron Music LLC; Kika, Inc.; The Maui Closet Company; Whalers Realty Inc.; and thirteen individuals.

Your Committee finds that increasing numbers of individuals face decisions regarding whether to choose to become entrepreneurs and go into business for themselves or remain in employment relationships and maintain the protections afforded by various labor laws, including Hawaii's employment security law. Your Committee further finds that many of these individuals may not be aware of the criteria used by the Department of Labor and Industrial Relations when making determinations as to whether an individual is in an employment relationship or is a bona fide independent contractor. Your Committee notes that unlike an employee in a traditional employer-employee relationship, independent contractors have no expectation of benefits that would normally accrue from an employer-employee relationship. Independent contractors must also obtain a current general excise tax license and pay all applicable taxes.

Your Committee has heard the concerns that this measure replaces the criteria commonly referred to as the "ABC test" in section 383-6, Hawaii Revised Statutes, with new criteria for independent contractor certification, including certification as an independent contractor from the Department of Labor and Industrial Relations. Your Committee has also heard the concerns that this measure places the burden of proof on workers to establish that they are employees and not independent contractors if the workers file for unemployment benefits, which does not conform to certain provisions of the federal Social Security Act.

Your Committee concludes that amendments to this measure are necessary to address certain conformity issues raised in testimony and to provide better guidance and clarity regarding the criteria used to determine independent contractor status, while also preserving the Department of Labor and Industrial Relations' discretion to make employment coverage determinations.

Accordingly, your Committee has amended this measure by:

- (1) Restoring existing language under section 383-6, Hawaii Revised Statutes, relating to the three-pronged set of criteria commonly known as the "ABC test";
- (2) Clarifying that an employer and employee relationship exists unless and until it is shown to the satisfaction of the Department of Labor and Industrial Relations that, in the Department's determination, a preponderance of twenty factors has been met;
- (3) Replacing the criteria that, if met, would require the Department of Labor and Industrial Relations to presume an individual is an independent contractor with twenty factors to serve as guidelines for determining whether an individual could be deemed an independent contractor, noting that the degree of importance of each factor may vary depending on the occupation and the individual facts of each case, as determined by the Department of Labor and Industrial Relations, and noting that a preponderance of the factors may indicate a worker is an independent contractor;
- (4) Inserting a definition of "client";
- (5) Inserting a definition of "independent contractor" and noting that an independent contractor has no expectation of benefits that would normally accrue from an employer-employee relationship and is responsible for obtaining a current general excise tax license and paying all applicable taxes;
- (6) Deleting language that would have enabled the Department of Labor and Industrial Relations to certify independent contractors and allowed independent contractors to provide a written copy of that certification to each customer;
- (7) Deleting language that would have placed the burden of proving an employer-employee relationship on the certified independent contractor if the contractor files an unemployment insurance benefits claim against a customer;
- (8) Requiring the Director of Labor and Industrial Relations to report to the Legislature prior to the Regular Session of 2016 regarding guidelines developed by the Unemployment Insurance Coverage Committee;
- (9) Requiring the Director of Labor and Industrial Relations to submit an annual report to the Legislature regarding covered employment determinations;
- (10) Inserting a purpose section; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure maintains the Department of Labor and Industrial Relations' discretion to determine whether an individual is an employee in an employer-employee relationship or an independent contractor for purposes of unemployment insurance coverage while also providing better clarity to those individuals choosing to become entrepreneurs by setting forth in greater detail the criteria used to determine independent contractor status. Your Committee notes that this amended measure is a work in progress that attempts to represent a balanced approach regarding independent contractors in Hawaii and acknowledges that further discussion may be warranted as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1219, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1219, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Taniguchi). Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 697 Ways and Means on S.B. No. 1209

The purpose and intent of this measure is to harmonize age and service requirements for members of the Employees' Retirement System who become judges with the requirements for other contributory plan members who joined the system at the same time.

Your Committee received written comments in support of this measure from the Employees' Retirement System and the Judiciary.

Your Committee finds that under present law, members of the Employees' Retirement System who become judges after June 30, 2012, are subject to more stringent age and service requirements for retirement than other contributory plan members who became members of the system at the same time. This disparity may serve as a disincentive for current, qualified members who might

otherwise pursue a career on the bench. Your Committee further finds that this measure will bring parity to age and service requirements for similarly situated members of the system.

Your Committee has amended this measure by amending the prefatory language of section 2 to conform to customary drafting conventions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1209, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1209, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 698 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 1338

The purpose and intent of this measure is to:

- (1) Enable the Hawaii Health Connector (Connector) to offer large group coverage to insurers;
- (2) Expand the potential small businesses market in the Connector by amending the current definition of “small employer” under section 431:2-201.5, Hawaii Revised Statutes;
- (3) End transitional renewal policies in Hawaii beginning January 1, 2016; and
- (4) Require health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector.

Your Committees received testimony in support of this measure from the Hawaii Primary Care Association and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Health Connector, and Hawaii Medical Service Association.

Your Committees find that this measure offers a number of options to strengthen the Connector, including enabling the Connector to offer large group coverage to insurers and changing the definition of “small employers” in Hawaii from fifty employees to the nationally accepted threshold of one hundred employees. These options will encompass a greater number of businesses in the State, which will provide for a stronger Connector and a better marketplace for consumers.

Your Committees further find that transitional renewal policies, also known as grandmothers health plans, do not provide all of the features and protections of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). Ending transitional renewal policies on January 1, 2016, as proposed by this measure, will simplify health plan choices for individuals and small businesses and will ensure that all plans offered in Hawaii are fully compliant with the Affordable Care Act.

Your Committees additionally find that it is important that individuals on unemployment be made aware of potential savings through programs that provide tax credits and other cost-sharing reductions that may lower the overall price of health care. Accordingly, this measure requires health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector.

Your Committees have amended this measure by changing the threshold number of employees under the definition of “small employer” from one hundred employees to an unspecified number of employees.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1338, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1338, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ihara).

Ways and Means

Ayes, 10; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, none.

SCRep. 699 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 1059

The purpose and intent of this measure is to:

- (1) Authorize the inspection and treatment of regulated goods moving between islands;
- (2) Prohibit transportation of infested material between islands;
- (3) Authorize the designation of quarantine areas to isolate infested areas;
- (4) Authorize the interisland or intraisland transportation of articles from a quarantined area if the consignor and consignee of the articles are participants in the Department of Agriculture’s compliance agreement program; and
- (5) Establish penalties for violations of intrastate transportation and quarantine laws and rules.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, University of Hawaii System, Hawaii Invasive Species Council, Big Island Invasive Species Committee, The Nature Conservancy, Waiheuna Farm, and one individual. Your Committees received comments on this measure from the Hawaii Farm Bureau.

Your Committees find that the State has attempted to control certain invasive species but that control efforts are often too late to stop the spread of certain invasive species across the State. As a result, invasive species now infest hundreds of thousands of acres and affect Hawaii's export industry, tourism revenues, property values, residents' quality of life, and the environment. It is necessary to identify pathways and areas infested with priority pests and mitigate the chances that pests will enter transportation networks. Implementation of this measure will enhance biosecurity and protect the State's environment.

Your Committees encourage the Department of Agriculture, in developing its administrative rules to implement this measure, to distinguish between acts of intentional and reckless transportation of infested materials and acts of a person who is unaware that materials in transit are infested.

Your Committees have amended this measure by:

- (1) Adopting language suggested by the Department of Agriculture that clarifies that participants in the compliance agreement program will be allowed, rather than permitted, to provide interisland or intransland transportation of articles from a quarantined area;
- (2) Changing the penalty from a petty misdemeanor to a class C felony;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1059, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1059, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 6. Noes, none. Excused, 1 (Ihara).

Ways and Means

Ayes, 11. Noes, none. Excused, none.

SCRep. 700 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 1014

The purpose and intent of this measure is to define specific rights granted to a person who is houseless, including equal access to housing, jobs, and shelters, equal treatment by government agencies, and access to life-sustaining activities and essential services.

Your Committees received testimony in support of this measure from Ho'okipa Network – Kauai, Ho'opae Pono Peace Project, National Law Center on Homelessness & Poverty, The Pacific Alliance to Stop Slavery, Waihuena Farm, WorldPeacePlan.org, IMUAlliance, and twenty-nine individuals. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that no person's rights, privileges, or access to public services should be denied solely because a person is houseless, and a houseless individual should be granted the same rights as any other person. Because houseless persons often experience discrimination based on their appearance or lack of permanent address, there is a need to protect the basic human rights of the houseless.

Your Committees have amended this measure by:

- (1) Deleting the enumerated right to manage individual personal finances notwithstanding housing status unless certain conditions exist;
- (2) Clarifying that the equal opportunity to have twenty-four-hour access to hygiene facilities and live in decent, safe, sanitary, and healthful accommodations applies to public hygiene facilities and shall not include access to environmentally sensitive areas;
- (3) Deleting the language that allows a court to award a plaintiff if a violation of any of the enumerated rights occurs and inserting language that clarifies that the rights afforded to houseless persons to ensure that their person, privacy, and property are safeguarded and protected are available only insofar as they are implemented in accordance with other state or county laws, state rules and regulations, federal law and the constitutions of the State and the United States;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1014, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1014, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, 2 (Thielen, Slom). Excused, 1 (Ihara).

Ways and Means

Ayes, 10; Ayes with Reservations (Galuteria, Riviere). Noes, 1 (Slom). Excused, none.

SCRep. 701 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 961

The purpose and intent of this measure is to:

- (1) Remove the ten-day time limit for setting a hearing date on a petition for assisted community treatment;
- (2) Allow for notice of continuation hearings to the subject to be served via the public defender;
- (3) Specify provisions governing the appointment of a public defender or other court-appointed counsel;
- (4) Remove provisions allowing the court to order a subject to be examined by a licensed psychiatrist; and
- (5) Require treating providers to provide to the Department of Health information related to MH-1s and hospitalization of persons who are under an order to treat by September 30 of each year.

Your Committees received testimony in support of this measure from the Hawaii Disability Legal Services, LLC; PHOCUSED; and two individuals. Your Committees received testimony in opposition to this measure from the Office of the Public Defender. Your Committees received comments on this measure from the Hawaii Disability Rights Center.

Your Committees find that Hawaii's mental health system is difficult to navigate, resulting in individuals with serious mental illness often getting arrested for petty crimes, utilizing emergency services at higher rates, or becoming homeless as a result of their mental illness. This measure strengthens Hawaii's assisted community treatment law to reduce hospitalization and incarceration rates of persons with mental illness.

Your Committees have amended this measure by:

- (1) Inserting language to authorize the court to appoint a guardian ad litem to represent the best interests of the subject through the proceedings if the subject has been served with a petition and does not appear at the hearing; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 961, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 961, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 6. Noes, none. Excused, 1 (Ihara).

Ways and Means

Ayes, 11. Noes, none. Excused, none.

SCRep. 702 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 150

The purpose and intent of this measure is to:

- (1) Specify that an affidavit on application for voter registration shall be a part of the application associated with the issuance of a civil identification card and driver's license; and
- (2) Make conforming amendments under chapter 286, Hawaii Revised Statutes, to reflect inclusion of the affidavit on application for voter registration on the application for a civil identification card and driver's license.

Your Committees received testimony in support of this measure from the Office of Elections; Office of the County Clerk, County of Kauai; and two individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that voter registration, as a percentage of eligible voters, is dismally low in Hawaii compared to other states. This measure will assist in increasing voter registration by providing an additional mechanism to register to vote.

Your Committees have amended this measure by:

- (1) Inserting language suggested by the Office of Elections that requires the examiner of drivers in each county to maintain an electronic database of voter registration applications and authorizes the electronic transmission and accessibility of voter registration applications in conjunction with driver's license and civil identification card applications to streamline procedures;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 150, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 150, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 6. Noes, none. Excused, 1 (Ihara).

Ways and Means

Ayes, 11. Noes, none. Excused, none.

SCRep. 703 (Majority) Ways and Means on S.B. No. 728

The purpose and intent of this measure is to require equal pay for men and women who do similar work under certain government contracts.

More specifically, this measure establishes requirements for government contracts with a value in excess of \$25,000 that:

- (1) Require contractors and subcontractors to pay equal wages or salaries for equal work, regardless of employee gender;
- (2) Prohibit government contractors from discriminating or retaliating against or discharging employees for inquiring about, discussing, or disclosing wage information; and
- (3) Require contractors to report to the governmental contracting agency all wages paid to its employees, categorized by gender.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, the Hawaii Civil Rights Commission, Planned Parenthood of Hawaii, the Chamber of Commerce of Hawaii, and one individual. The General Contractors Association of Hawaii submitted written comments on this measure.

Your Committee notes that in 2013, full-time, year-round female employees earned 78.3 percent of the wages earned by their male counterparts. Your Committee finds that women in the workplace often stay silent about unequal compensation due to fears of retaliation by their employer.

Your Committee also finds that the federal government and other states have enacted laws and regulations that prohibit discrimination against or discharge of government contract employees who inquire about, discuss, or disclose their compensation or the compensation of another. One of these regulations is federal Executive Order 13665, which suggests that compensation discrimination is more likely to persist when employees are prohibited from inquiring about, disclosing, or discussing their compensation with fellow workers. Thus, gender compensation discrimination is less likely to occur when employees are free to discuss and reveal issues of unequal compensation between women and men. Your Committee believes that more can be done in Hawaii to encourage wage equity and prevent gender discrimination on state government contracts.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

Your Committee requests that, as this measure progresses through the legislative session, the Department of Accounting and General Services consider presenting proposed amendments to chapters 103 and 104, Hawaii Revised Statutes, to the relevant Standing Committees, to address the implementation and enforcement issues raised in the Department's written comments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 728, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 728, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 704 (Majority) Ways and Means on S.B. No. 1158

The purpose and intent of this measure is to establish a means by which the Pacific International Space Center for Exploration Systems (Center) may receive and expend funds from sources other than the state budget.

Specifically, this measure establishes the Pacific international space center for exploration systems special fund to:

- (1) Accept funds generated by the Center from fees, rentals, publications, royalties, and patents;
- (2) Accept gifts, donations, and grants;
- (3) Accept proceeds from revenue bonds issued by the Director of Finance;
- (4) Accept appropriations by the Legislature; and
- (5) Allot funds for use by the Center.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii County Council; Pacific International Space Center for Exploration Systems; Near Earth LLC; and three concerned individuals.

Your Committee finds that the Pacific International Space Center for Exploration Systems does not have a mechanism to receive funds from sources other than the state budget. In the past, the Center has been forced to forego potential revenue because it could not respond within the performance period of available funding. Your Committee further finds that establishing a special fund will enable the Center to accept gifts, donations, and grants from non-state organizations, including the National Aeronautics and Space Administration, the National Science Foundation, and the various counties.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1158, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1158, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 705 Ways and Means on S.B. No. 749

The purpose and intent of this measure is to develop and support a program for early detection of colorectal cancer.

More specifically this measure:

- (1) Establishes a two-year Hawaii colorectal cancer screening and awareness pilot program, using the Hawaii comprehensive breast and cervical cancer control program as a model; and
- (2) Appropriates moneys for the pilot program.

Your Committee received written comments in support of this measure from the American Cancer Society Cancer Action Network and The Queen's Health Systems. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that colorectal cancer is the second-leading cause of cancer-related deaths in the United States. Your Committee believes that because colorectal cancer almost always develops from precancerous polyps in the colon or rectum, screening tests are an effective and efficient means in which to find precancerous polyps and detect colorectal cancer in its early stages. Your Committee further finds that the Hawaii comprehensive breast and cervical cancer control program is a model of an effective approach to increasing the number of screenings and early detection of colorectal cancer. Your Committee believes that the creation of a colorectal cancer screening and awareness program will increase the detection of colorectal cancer at an early stage and improve patients' chances of survival.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount to an unspecified sum; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 749, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 749, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 706 Ways and Means on S.B. No. 287

The purpose and intent of this measure is to implement elections by mail as the standard method for voting statewide.

Specifically, this measure:

- (1) Requires the Office of Elections to implement elections by mail in a county with a population of less than 100,000 beginning with the 2016 primary election, and by 2018, requires all federal, state, and county primary, special primary, general, special general, and special elections to be conducted by mail;
- (2) Establishes voter service centers to receive voted ballots, accommodate disabled voters, and provide voter registration assistance and other services;
- (3) Provides for the return of ballots by mail or by personal delivery to designated places of deposit or voter service centers; and
- (4) Appropriates funds for the implementation and administration of the election-by-mail program.

Your Committee received written comments in support of this measure from the Office of Elections, the Office of the County Clerk for the County of Kauai, the Office of the County Clerk for the County of Maui, and one individual. Common Cause Hawaii submitted written comments opposing this measure. The League of Women Voters of Hawaii submitted written comments.

Your Committee finds that a transition to elections by mail in Hawaii is appropriate in light of the increasing number of voters who have chosen to vote by absentee mail-in ballot in recent election years. In addition to making voting easier and more convenient, elections by mail could boost voter turnout, streamline the administration of elections, and provide cost savings.

Your Committee further finds that the transition to statewide elections by mail will be a major undertaking that necessitates planning and incremental implementation to address any issues and challenges. In addition, your Committee notes there are concerns that all-mail elections may increase the potential for election fraud in comparison with walk-in voting. Your Committee therefore believes that a more gradual implementation schedule and regular updates on the status of implementation are essential to identifying and resolving any issues and concerns and ensuring the integrity of the election process. Your Committee intends to closely follow the progress made by the Office of Elections in implementing this measure and, in particular, will be interested in how the Office handles the integrity issues posed.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Office of Elections to implement elections by mail in accordance with the following phased-in schedule:
 - (A) Beginning with the 2016 primary election, in a county with a population of less than 100,000;
 - (B) Beginning with the 2018 primary election, expansion into each county with a population of less than 500,000; and
 - (C) Beginning 2020, all elections statewide to be conducted by mail; and
- (2) Requiring the Office of Elections to submit annual reports to the Legislature from 2016 through 2021 regarding the progress of implementing the elections-by-mail program, including a description of any difficulties encountered, additional resources

necessary to implement the program, and specific steps taken and recommendations necessary to prevent fraud and ensure the integrity of the election process.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 287, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 287, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 707 Ways and Means on S.B. No. 825

The purpose and intent of this measure is to recognize the achievements and contributions of the Puerto Rican community in Hawaii.

Specifically, the measure establishes a Puerto Rican Exchange Commission to honor and recognize the contributions of the Puerto Rican people to Hawaii and commemorate the first Puerto Ricans to arrive in Hawaii.

Your Committee finds that like Hawaii, Puerto Rico is a strong island society with large agricultural and tourist industries. These similarities are just the beginning of the relationship between the islands. Puerto Rican immigration to Hawaii began in the early twentieth century, and ever since, Puerto Rican culture has played a significant role in Hawaii's culture. The creation of a commission to honor, recognize, and commemorate the heritage of the Puerto Rican culture will help Hawaii better understand and appreciate the rich contributions that Puerto Rican culture has made to Hawaii.

Your Committee has amended this measure by:

- (1) Placing the Commission in the State Foundation on Culture and the Arts instead of the Governor's Office;
- (2) Requiring the Commission to submit reports to the Legislature as well as the Governor; and
- (3) Deleting the appropriation for developing, planning, and coordinating various programs related to the cultural exchange program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 825, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 825, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Slom).

SCRep. 708 Ways and Means on S.B. No. 382

The purpose and intent of this measure is to establish within the Department of Agriculture's livestock revitalization program a grant program for qualified feed developers.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Crop Improvement Association, Hawaii Farm Bureau, Hawaii Farmers Union United, Maui County Farm Bureau, and Ulupono Initiative. Your Committee received written comments on this measure from the Land Use Research Foundation of Hawaii.

Your Committee finds that the cost of imported feed for livestock production is increasing because of market forces and transportation expenses, and that the rising cost of imported feed is one of the biggest challenges for the State's livestock industry. Subsidizing the cost of importing feed for an extended period of time may not be in the public interest, and currently there is only a limited supply of feed produced in the State.

Your Committee further finds that subsidizing a feed development program in the State to help address the needs of Hawaii's livestock producers will benefit the State's economy and help meet the State's sustainability goals.

Your Committee has amended this measure by:

- (1) Deleting the requirement that feed development costs shall not include the cost of transportation to or from Hawaii;
- (2) Requiring the Department of Agriculture to:
 - (A) Define "feed development costs" as they relate to the grant program established by this Act; and
 - (B) Determine whether the definition should include the cost of transporting feed equipment to the State; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 382, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 382, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 709 Ways and Means on S.B. No. 661

The purpose and intent of this measure is to support the development and operation of an unmanned aerial systems test site in Hawaii.

More specifically, this measure:

- (1) Establishes the position of the Hawaii unmanned aerial systems test site chief operating officer within the University of Hawaii to serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team;
- (2) Establishes the Hawaii unmanned aerial systems test site advisory board as a subcommittee of the Hawaii Aerospace Advisory Committee, to oversee the planning and operation of the unmanned aerial systems test site; and
- (3) Appropriates moneys for the purpose of staffing and operating Hawaii's unmanned aerial systems test site activities.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, and the Department of Transportation. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that Hawaii, Alaska, and Oregon are cooperative members of the Pan-Pacific Aerial Systems Test Range Complex, which is one of the six Federal Aviation Administration designated national test sites for the development of unmanned aerial systems operating standards and regulations. The University of Alaska has established a board of directors to support a Pan-Pacific Aerial Systems Test Range Complex management team, and the board of directors is to include the chief operating officer from each state. Hawaii does not currently have a chief operating officer to join the board of directors.

Your Committee also finds that unmanned aerial systems are an emerging technology with significant capability for commercial and national security applications. The integration of this technology into the national airspace is estimated to be worth more than \$82,000,000,000 between 2015 and 2025, and it is expected to create 103,776 new jobs by 2025. Your Committee finds that, as a member of the Pan-Pacific Aerial Systems Test Range Complex, Hawaii should capitalize on this opportunity and support the development of technology that can have a substantial positive impact on Hawaii's economy.

Your Committee has amended this measure by:

- (1) Clarifying the advisory board appointment process;
- (2) Deleting the provision that made the chief operating officer an ex officio member of the advisory board;
- (3) Establishing the chief operating officer position under the Department of Business, Economic Development, and Tourism, rather than with the University of Hawaii;
- (4) Authorizing the Department of Business, Economic Development, and Tourism to expend the appropriation, rather than the University of Hawaii; and
- (5) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 661, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 661, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 710 Ways and Means on S.B. No. 213

The purpose and intent of this measure is to provide certain notices to defendants who had multiple terms of imprisonment imposed prior to June 18, 2008.

More specifically, the measure requires the Department of Public Safety, no later than six months prior to a defendant's scheduled date of release, to send written notice to those defendants who had terms of imprisonment imposed prior to June 18, 2008, that:

- (1) The Department of Public Safety may recalculate the multiple terms of imprisonment imposed on the defendant; and
- (2) The defendant has the right to have the court review the defendant's sentence.

Your Committee received written comments on this measure from the Department of Public Safety and the Department of the Attorney General.

Your Committee finds that prior to 2008, section 706-668.5, Hawaii Revised Statutes, relating to imposition of multiple terms of imprisonment, provided that the terms run consecutively unless the court specifically ordered that the terms run concurrently. Act 193, Session Laws of Hawaii 2008, amended section 706-668.5, Hawaii Revised Statutes, and provided that multiple terms of imprisonment run concurrently unless the court specifically orders that the terms run consecutively. This measure attempts to bring parity to the treatment of defendants sentenced to multiple terms prior to the effective date of Act 193, June 18, 2008, and those sentenced to multiple terms after that date.

Your Committee finds that, as written, this measure may not provide defendants with adequate notice, as intended. Accordingly, your Committee has amended this measure by requiring that notice:

- (1) Be posted at all inmate housing units and the facility library for a period of two months, rather than sending written notice to the defendant six months prior to the release date; and
- (2) State that a defendant may petition the court for clarification or correction of their sentence or sentences when good cause exists.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 213, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 213, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 711 Ways and Means on S.B. No. 286

The purpose and intent of this measure is to promote accountability and integrity in government.

Specifically, the measure:

- (1) Establishes the Office of the State Inspector General, to be headed by the State Inspector General, within the Department of the Attorney General for administrative purposes only; and
- (2) Requires the Office of the State Inspector General to investigate alleged fraud, waste, abuse, or corruption by any state agency, quasi-public agency, or any officer or employee of a state agency or quasi-public agency.

Your Committee received written comments in support of this measure from one individual. The Department of the Attorney General provided written comments on the measure.

Your Committee finds that accountability is essential to maintaining public trust in government. Your Committee believes that by establishing the Office of the State Inspector General to perform independent investigations and reviews, this measure will promote integrity and accountability, maximize the efficiency and effectiveness of state agencies, and provide objective and useful information to state officials and the general public.

Your Committee has amended this measure by:

- (1) Placing the Office of the State Inspector General within the Judiciary, rather than the Department of the Attorney General, for administrative purposes only; and
- (2) Making a conforming amendment to change the expending agency for the measure's appropriation from the Department of the Attorney General to the Judiciary.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 286, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 286, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 712 Ways and Means on S.B. No. 163

The purpose and intent of this measure is to change the employer membership when negotiating collective bargaining agreements for bargaining units (5), (6), and (9).

Specifically, the measure provides that:

- (1) A representative of the public charter schools, as selected by the Public Charter School Commission, shall have one vote when negotiating collective bargaining agreements for bargaining units (5) and (6); and
- (2) When negotiating collective bargaining agreements for bargaining unit (9), there shall be three votes for the Governor, two votes for the Hawaii Health Systems Corporation Board of Directors, and one vote for the Chief Justice.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, Hawaii Health Systems Corporation, and East Hawaii Region of the Hawaii Health Systems Corporation. Your Committee received written comments in opposition to this measure from the Department of Education. Your Committee received written comments on this measure from the Office of Collective Bargaining.

Your Committee finds that providing a representative of the public charter schools with one vote on collective bargaining matters within units (5) and (6) may upset the deliberate balance of voting authority established between the Governor, the Board of Education, and the Superintendent of Education. The addition of a vote for the State Public Charter School Commission could create the potential for a collective bargaining agreement that is not supported by the Governor or, alternatively, not supported by the Board of Education or Superintendent of Education. In any case, the result could be an agreement that would not seem to be in the best interests of the public.

Your Committee has amended this measure by deleting language that provided a representative of the public charter schools with one vote on collective bargaining agreements for bargaining units (5) and (6).

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 163, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 163, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 713 Ways and Means on S.B. No. 1001

The purpose and intent of this measure is to assist manufacturing companies based in the State.

More specifically, this measure:

- (1) Establishes the Hawaii manufacturing capital program to provide loans to Hawaii-based manufacturing companies to encourage certain manufacturing activities, including the purchase of new manufacturing equipment and the implementation of training programs;
- (2) Establishes the Hawaii manufacturing capital revolving fund to provide a funding source for the Hawaii manufacturing capital program; and
- (3) Appropriates funds for the establishment and operation of the Hawaii manufacturing capital program.

Your Committee received written comments in support of this measure from the High Technology Development Corporation, The Chamber of Commerce of Hawaii, Hawaii Food Industry Association, Oceanit, and one individual. Your Committee received written comments on this measure from the Department of Budget and Finance, K. Yamada Distributors, and Meadow Gold Dairies.

Your Committee notes that the original version of this measure, S.B. No. 1001, established a grant program, rather than a loan program, to assist manufacturing companies based in the State. Your Committee believes that a grant program would be of greater assistance to Hawaii-based manufacturing companies and would allow for greater control and oversight over the funds distributed.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and replacing them with the original contents of S.B. No. 1001;
- (2) Further amending the original content of S.B. No. 1001, by deleting the \$1,000,000 appropriation amount and leaving the amount unspecified; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee requests that the High Technology Development Corporation study national and local models that require repayment or local reinvestment from grantees. Your Committee also requests that the High Technology Development Corporation consider providing unemployment contribution vouchers, instead of cash; provided that these vouchers are intended to be redeemable for unemployment contributions for employees of manufacturing companies.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1001, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1001, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 714 Ways and Means on S.B. No. 133

The purpose and intent of this measure is to authorize a court to decree a forfeiture of benefits by a member, former member, or retirant of the Employees' Retirement System if the member, former member, or retirant is convicted of a felony and the court finds that the felony is related to the employment of the member, former member, or retirant by the State or any county.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that Article XVI, section 2, of the Hawaii Constitution states that the accrued benefits of members of the Employees' Retirement System shall not be diminished or impaired. Your Committee further finds that this measure complies with the Hawaii Constitution by expressly protecting Employees' Retirement System benefits that were accrued prior to the effective date of the measure.

Your Committee has amended this measure by:

- (1) Clarifying that:
 - (A) The applicable standard of proof to be applied by the court is "by a preponderance of the evidence"; and
 - (B) The forfeiture authorized by this measure is a civil penalty;
- (2) Specifying that the proposed statutory section shall not apply to felonies committed prior to the effective date of the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 133, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 133, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Riviere, Ruderman).

SCRep. 715 Ways and Means on S.B. No. 849

The purpose and intent of this measure is to provide for the issuance of general obligation bonds for public charter school facilities and establish a process by which the bond revenues will be allocated to individual public charter schools.

More specifically, this measure:

- (1) Authorizes the State Public Charter School Commission to request that the Director of Finance issue general obligation bonds to design, plan, construct, repair, and maintain public charter school facilities;
- (2) Establishes a working group to act as an advisory council to determine the criteria for and allocation of the proceeds of general obligation bonds; and
- (3) Requires the State Public Charter School Commission to submit an annual report to the Legislature regarding the charter school selection process and use of the general obligation bond proceeds.

Your Committee received written comments in support of this measure from the State Public Charter School Commission. Your Committee received written comments in opposition to this measure from one individual. The Department of Budget and Finance submitted written comments on the measure.

Your Committee finds that public charter schools play an important role in Hawaii's education system. Public charter schools offer students unique learning and experiential opportunities that may not be found at traditional public schools. However, the cost to start a public charter school can be substantial. Providing financial support for designing, planning, and constructing new public charter schools, and repairing and maintaining existing charter schools, is an investment in Hawaii's future.

Your Committee has amended this measure by:

- (1) Adding the Assistant Superintendent for School Facilities and Support Services to the working group;
- (2) Requiring the working group to establish procedures and guidelines for the appropriate use, expenditure, and oversight of facility funds; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 849, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 849, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 716 Ways and Means on S.B. No. 343

The purpose and intent of this measure is to exempt qualified totally and permanently disabled veterans from paying state motor vehicle registration fees.

Specifically, the measure:

- (1) Exempts qualifying veterans who are totally and permanently disabled as a result of military service from paying state motor vehicle registration fees for registrations that occur on or after September 1, 2015; and
- (2) Requires the Director of the Office of Veterans Services, in consultation with the Policy Advisory Board on Veterans Services, to annually report to the Legislature and Department of Taxation the total number of disabled veterans who qualify for the exemption from the annual motor vehicle registration fees provided by this measure.

Your Committee received written comments in support of this measure from the Department of Defense - Office of Veterans Services and three individuals. Your Committee received written comments on this measure from the Department of Transportation and the Tax Foundation of Hawaii.

Your Committee finds that the sacrifices made by veterans who suffered service-related injuries that left them one hundred percent disabled should be acknowledged and that this measure would provide but a small token of the gratitude, recognition, and support that these veterans deserve.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 343 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Galuteria).

SCRep. 717 Ways and Means on S.B. No. 243

The purpose and intent of this measure is to clarify who, in the event of a natural disaster, has the authority to determine whether to postpone an election or require voters of an affected precinct to vote by absentee ballot

Specifically, the measure establishes that if a natural disaster occurs:

- (1) Prior to the day of an election, the Chief Election Officer or the county clerk in the case of county elections has the power to postpone an election or require voters to vote by absentee ballot; or
- (2) On the day of the election, the Governor has the power to postpone an election or require voters to vote by absentee ballot.

Your Committee received written comments in support of this measure from Common Cause Hawaii.

Your Committee finds that in August 2014, the Chief Election Officer delayed voting in the 2014 primary election in certain County of Hawaii precincts because of the impact of Tropical Storm Iselle. The delay in voting resulted in litigation and raised many questions around the State regarding the Chief Election Officer's authority to delay voting. Your Committee finds that it is important to clarify who has the statutory authority to delay an election in the event of a natural disaster.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 243, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 718 Ways and Means on S.B. No. 230

The purpose and intent of this measure is to clarify that crime victims may be fully reimbursed for all reasonable and verified losses resulting from a defendant's offense, specifically restitution for mental health treatment, counseling, and therapy.

Your Committee received written comments in support of this measure from the County of Kauai, Office of the Prosecuting Attorney; City and County of Honolulu, Department of the Prosecuting Attorney; Sex Abuse Treatment Center; and one individual. Your Committee received written comments on this measure from the Department of Public Safety.

Your Committee finds that, due to the current language in section 706-646, Hawaii Revised Statutes, crime victims may not be able to fully recover their reasonable and verified losses resulting from a defendant's offense, specifically lost earnings and expenses for mental health treatment, therapy, and counseling. Your Committee also finds that crime victims deserve to be compensated for lost earnings due to injuries and related medical expenses as a result of a defendant's offense. Your Committee believes that the inclusion of specific language to section 706-646, Hawaii Revised Statutes, will clarify the Legislature's intent for crime victims to recover these reasonable costs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 230 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 719 Ways and Means on S.B. No. 181

The purpose and intent of this measure is to honor those whose educations were interrupted due to compulsory military service or wartime practices.

Specifically, this measure allows, until June 30, 2020, the Department of Education to continue awarding high school diplomas to:

- (1) Qualified veterans who did not receive a high school diploma as a result of compulsory induction into active service in the Armed Services of the United States; or
- (2) Any person whose high school education was interrupted due to wartime practices, including internment during World War II.

Your Committee received written comments in support of this measure from the Department of Defense, Office of Veteran Services, and one individual.

Your Committee finds that compulsory induction into active service in the Armed Services of the United States and other wartime practices caused individuals to defer their educational goals. Your Committee further finds that continuation of this program to award high school diplomas to these individuals allows them to receive the recognition and gratitude from the State for their wartime sacrifices to their country.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 181, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Galuteria).

SCRep. 720 Ways and Means on S.B. No. 878

The purpose and intent of this measure is to benefit residents in communities that have areas inaccessible to municipal wastewater systems by authorizing the counties to approve the installation and use of composting toilets in those areas.

Your Committee finds that there are certain areas of Hawaii, such as Kaloko-Honokohau National Historic Park, that due to geographic challenges, such as proximity to the ocean, hard volcanic rock, and groundwater two feet below the surface, are ill-suited for the installation and use of flush and septic systems. Your Committee further finds that composting toilets are a useful way to address sewage needs throughout the State because they use no water and produce compost that may be used to enrich the soil. Your Committee believes that composting toilets are an effective way to address the lack of waste disposal systems and that authorizing the counties to approve the installation and use of composting toilets will benefit the public health and welfare as a whole.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 878, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Galuteria, Slom).

SCRep. 721 Ways and Means on S.B. No. 1089

The purpose and intent of this measure is to make several changes to the Employees' Retirement System laws with regard to member contributions to the system.

Specifically, this measure:

- (1) Gives members one year after returning from an unpaid leave of absence to make the required retirement contributions in order to obtain service credit for the unpaid leave;
- (2) Requires, rather than allows, members receiving workers' compensation benefits to have contributions deducted from the members' workers' compensation benefits;
- (3) Establishes separate requirements for the acquisition of membership service credit by contributory and hybrid members, depending upon whether deductions commence or a lump sum payment is made after June 30, 2020;
- (4) Establishes one-year deadlines for lump sum payments by contributory and hybrid members for membership service credit; and
- (5) Establishes one-year deadlines for contributory and hybrid members who become members after June 30, 2016, to claim membership service credit for prior service, military service, or other service credit.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that requiring member contributions to be made as early as possible will assist in reducing the total liabilities of the Employees' Retirement System.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1089, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 722 (Majority) Ways and Means on S.B. No. 1122

The purpose and intent of this measure is to increase the amount of guaranteed monthly compensation required to exempt an individual from minimum wage, overtime, and record keeping requirements under the Hawaii Wage and Hour Law.

Specifically, the measure repeals the \$2,000 threshold to be excluded from the application of the State's Wage and Hour Law and replaces the fixed monetary amount with a formula based on the monthly minimum of the amount of minimum wage multiplied by 276.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and one individual. Your Committee received written comments in opposition to this measure from the Hawaii Food Industry Association and the Chamber of Commerce of Hawaii.

Your Committee finds that the Hawaii Wage and Hour Law protects existing minimum wage and maximum hour standards for the health and general well-being of workers. However, a worker is excluded from those wage and hour requirements if the worker is guaranteed a fixed amount of \$2,000 or more per month. Because of this exemption, employers may schedule individuals to work unlimited hours without being required to pay overtime compensation, as long as the individual is guaranteed a fixed amount of \$2,000 or more per month. Your Committee further finds that the minimum wage will increase three times over the next three years. Your Committee believes that this measure will maintain a consistent wage proportion to the minimum wage increase because it uses a multiplier mechanism rather than a fixed amount to keep the minimum guaranteed compensation on par with increases in the minimum wage.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1122 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 723 (Majority) Ways and Means on S.B. No. 1129

The purpose and intent of this measure is to clarify the Lieutenant Governor's responsibilities regarding the Time Share Commissioners of Deeds Program.

Specifically, the measure:

- (1) Authorizes the Lieutenant Governor, rather than the Governor, to appoint and remove Commissioners of Deeds;
- (2) Authorizes the Lieutenant Governor to adopt rules relating to Commissioners of Deeds;
- (3) Authorizes the Lieutenant Governor to assess and collect fees and administrative fines relating to Commissioners of Deeds;
- (4) Establishes the Commissioner of Deeds Revolving Fund;
- (5) Provides the Lieutenant Governor and employees of the Office of the Lieutenant Governor with immunity from liability as to their conduct relating to Commissioners of Deeds; and
- (6) Increases the surety bond requirement for Commissioners of Deeds from \$1,000 to \$10,000.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor and ARDA Hawaii.

Your Committee finds that a working group comprising the Office of the Lieutenant Governor, the Department of the Attorney General, the Department of Commerce and Consumer Affairs, the Bureau of Conveyances, and members of the time share industry was convened to examine the Time Share Commissioners of Deeds Program. Your Committee believes that this measure addresses

issues raised by the working group and will provide the Lieutenant Governor with the necessary authority to effectively implement the Commissioners of Deeds Program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1129, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 724 Ways and Means on S.B. No. 1107

The purpose and intent of this measure is to make an emergency appropriation of \$2,514,822 to the Department of Human Services to support the general assistance program.

Your Committee received written comments in support of this measure from the Department of Human Services.

Your Committee finds that the general assistance program provides food, shelter, clothing, and other essentials to some of our State's most vulnerable residents. Your Committee also finds that the general assistance program does not have the funds to continue offering payments to individuals at the current level, up to \$348 per month, through the end of the fourth quarter of fiscal year 2014-2015. Without an emergency appropriation, the general assistance program will either need to drastically reduce payments to recipients through the end of the fiscal year, or in March 2015, the program will need to stop all payments for the remainder of the fiscal year. Your Committee believes that the general assistance program provides critical financial assistance to low-income and disabled recipients and that any reduction or stoppage of payments would place a major burden on those persons.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1107 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 725 Ways and Means on S.B. No. 618

The purpose and intent of this measure is to extend the Department of Budget and Finance's authorization to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, from June 30, 2015, to June 30, 2020.

Your Committee received written comments in support of this measure from Honolulu Seawater Air Conditioning, Ulupono Initiative, Blue Planet Foundation, and one individual.

Your Committee finds that due to the geographic isolation of the State, the development and support of efficient energy systems is of public interest. Traditional electric air conditioning is not an efficient means of cooling structures as it consumes a large amount of energy. In 2007, the Legislature authorized the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning for the development of seawater air conditioning systems on Oahu. Disruptions in financial markets and regulatory delays have postponed the earlier sale of special purpose revenue bonds, and the authorization is set to expire on June 30, 2015. Extending the authorization for the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, will allow the company to complete the design and construction of a seawater air conditioning cooling system project on Oahu.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 618 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 726 Ways and Means on S.B. No. 619

The purpose and intent of this measure is to extend the Department of Budget and Finance's authorization to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, from June 28, 2015, to June 30, 2020.

Your Committee received written comments in support of this measure from Honolulu Seawater Air Conditioning, Ulupono Initiative, Blue Planet Foundation, and one individual.

Your Committee finds that due to the geographic isolation of the State, the development and support of efficient energy systems is of public interest. Traditional electric air conditioning is not an efficient means of cooling structures as it consumes a large amount of energy. In 2005, the Legislature authorized the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning for the development of seawater air conditioning systems on Oahu. Disruptions in financial markets and regulatory delays have postponed the earlier sale of special purpose revenue bonds, and the authorization is set to expire on June 28, 2015. Extending the authorization for the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, will allow the company to complete the design and construction of a seawater air conditioning cooling system project on Oahu.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 619 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 727 Judiciary and Labor on S.B. No. 729

The purpose and intent of this measure is to clarify the role of advanced practice registered nurses relating to emergency hospital admission and involuntary hospitalization.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that in Hawaii, advanced practice registered nurses are recognized as primary care providers and should be permitted to practice to the full extent of their education and training. In recognition of this, Act 232, Session Laws of Hawaii 2013, added advanced practice registered nurses to the list of mental health professionals qualified to diagnose mental illness under section 334-59, Hawaii Revised Statutes (HRS), relating to emergency hospitalization. However, additional amendments relating to advanced practice registered nurses under section 334-59, HRS, are necessary for consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 729 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 728 Judiciary and Labor on S.B. No. 1217

The purpose and intent of this measure is to:

- (1) Require health insurers to provide coverage for medically necessary health care services covered by a health insurance policy when provided by licensed naturopathic physicians acting within their scope of practice;
- (2) Specify that health care services provided by naturopathic physicians may be subject to certain limitations;
- (3) Specify that limitations shall not direct treatment in a manner that unfairly discriminates against the practice of naturopathic medicine; and
- (4) Permit insurers to require naturopathic physician services to be provided by a naturopathic physician under contract or covered consistently with out-of-network provider reimbursement practices.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from Kaiser Permanente Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Services Association.

Your Committee finds that health plans and insurance companies in the State have limited the types of health care providers permitted to provide services to their members by excluding certain non-medical doctor licensed providers. In particular, naturopathic physicians are often excluded from insurance contracts in Hawaii, which forces patients who choose a naturopathic physician as their primary care provider to pay out of pocket for their primary care needs.

Your Committee further finds that discrimination against any provider group, as a whole, is harmful to patients and restricts their ability to select the provider of their choice. The ability for patients to choose the licensed provider of their choice is integral to the intended full implementation of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). This measure provides clarity that naturopathic physicians must be compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1217, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 729 Ways and Means on S.B. No. 1087

The purpose and intent of this measure is to clarify Employees' Retirement System's laws relating to the return of accumulated contributions for certain members and the payment of death benefits for hybrid plan members.

Specifically, the measure:

- (1) Establishes an alternative deadline by which the Employees' Retirement System must return the accumulated contributions of contributory and hybrid members who are not eligible for retirement benefits when they terminate employment; and
- (2) Clarifies the death benefit amounts for hybrid members who become members after June 30, 2015.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that these housekeeping amendments will help reduce the unfunded liabilities of the Employees' Retirement System.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1087, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 730 Ways and Means on S.B. No. 100

The purpose and intent of this measure is to correct a statement in part IV of Act 134, Session Laws of Hawaii 2014, relating to the appropriation for a study on joint investment information and service sharing by the Employees' Retirement System and Hawaii Employer-Union Health Benefits Trust Fund.

Specifically, the purpose section of Act 134 mistakenly noted that the appropriation for the study was being repealed. However, the operative provisions of Act 134 only reduced the appropriation. This measure makes a correction to the purpose section of Act 134 to appropriately describe the intent of that Act.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 100, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Riviere).

SCRep. 731 Judiciary and Labor on S.B. No. 550

The purpose and intent of this measure is to prohibit the possession or consumption of tobacco products, including electronic smoking devices, by persons under eighteen years old in public places.

Your Committee received testimony in support of this measure from seven individuals. Your Committee received testimony in opposition to this measure from the Department of Health, American Heart Association, Coalition for a Tobacco-Free Hawaii, and seven individuals.

Your Committee finds that smoking and tobacco use remain the leading cause of preventable illness and death in Hawaii. According to Department of Health testimony, each year smoking and tobacco use causes over 1,200 deaths and results in over \$526,000,000 in economic losses in the State. Nationally, the tobacco industry spends over \$8,500,000,000 annually on advertising and promotions – \$27,000,000 of which is spent in Hawaii. The tobacco industry continues to market its products with images and messages that strongly resonate among children and is aggressively increasing electronic smoking device advertising to youth. By prohibiting minors' access to tobacco products, this measure helps to prevent early addictions to tobacco products and the health consequences of tobacco use.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 550, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 732 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 612

The purpose and intent of this measure is to:

- (1) Provide for a period of probation for any person convicted of the offense of operating a vehicle under the influence of an intoxicant;
- (2) Mandate a period of probation for any person convicted of operating a vehicle after license and privilege have been suspended or revoked for operating a vehicle under the influence of an intoxicant; and
- (3) Make defendants charged with offenses relating to operating a vehicle under the influence of an intoxicant or after license and privilege have been suspended or revoked ineligible for deferred acceptance of guilty or nolo contendere pleas.

Your Committees received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Kauai; Police Department, City and County of Honolulu; and Mothers Against Drunk Driving, Hawaii Chapter. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Judiciary.

Your Committees find that probation is necessary to enhance the monitoring of those convicted of operating a vehicle while under the influence of an intoxicant. With the imposition of probation and the installation of an ignition interlock, offenders will be better monitored.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 612, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 6. Noes, none. Excused, 1 (Ihara).

Ways and Means

Ayes, 11. Noes, none. Excused, none.

SCRep. 733 Commerce and Consumer Protection on S.B. No. 715

The purpose and intent of this measure is to:

- (1) Increase the renewable portfolio standards for electric utility companies to seventy percent by 2035 and one hundred percent by 2040;
- (2) Define large self-generators, subject large self-generators to applicable renewable standards, and establish large self-generator reporting requirements to the Public Utilities Commission; and
- (3) Require the Public Utilities Commission to report on the cost-effectiveness of renewable portfolio standards to address the impact on renewable energy developer energy prices.

Your Committee received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Hawaiian Electric Company, Inc.; Ulupono Initiative; Blue Planet Foundation; Hawai'i Clean Energy Foundation; Hawaii Solar Energy Association; Pacific Biodiesel Technologies, LLC; Hawaiian Electric Vehicle Network; International Brotherhood of Electrical Workers, Local Union 1260; and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaii Renewable Energy Alliance; Hawaii Independent Energy, LLC; Starwood Hawaii; and one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Public Utilities Commission; Kaua'i Island Utility Cooperative; Hawai'i Lodging and Tourism Association; Valley Consulting LLC; Hilton Hawaii; Sheraton Maui Resort and Spa; The Westin Princeville Ocean Resort Villas; and Hawai'i Lodging and Tourism Association, Kaua'i Chapter.

Your Committee finds that the State has implemented energy goals using renewable portfolio standards, which include generating forty percent of the State's electricity from renewable energy by 2030. However, existing law allows most of the State's power to come from fossil fuels in 2030 and beyond. This measure updates and extends Hawaii's clean energy initiative and renewable portfolio standards to ensure maximum long-term benefit to Hawaii's economy and environment.

However, your Committee has heard the concerns that the definition of "large self-generator" as proposed by this measure could include utility customers and off-grid entities and would expand the Public Utilities Commission's jurisdiction to include large self-generators, possibly necessitating additional funding and staff. Your Committee has also heard the concerns that applying renewable standards to large self-generators may have unintended consequences. According to testimony received by your Committee, there are a number of self-generators operating in the State today that produce electricity and waste heat onsite to drastically reduce energy consumption and improve system reliability. Requiring these self-generators to meet the proposed renewable standards may reduce the economic benefit of these projects.

Your Committee has also heard the concerns that reaching the one hundred percent renewable portfolio standard by 2040 may be very aggressive, as the final thirty percent must be achieved in a five-year time frame. Your Committee finds that a more appropriate date for the one hundred percent target may be 2050.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the definition of "large self-generators" and all other references associated with large self-generators;
- (2) Extending the one hundred percent renewable portfolio standard date for electric utility companies to December 31, 2050, rather than December 31, 2040;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 715, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 715, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 734 Ways and Means on S.B. No. 502

The purpose and intent of this measure is to appropriate moneys to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources for personnel services, current expenses, equipment, and motor vehicles.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Humane Society of the United States, The Nature Conservancy, Land Use Research Foundation of Hawaii, Kuaaina Ulu Auamo, and twelve individuals.

Your Committee finds that the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources is tasked with enforcing laws that protect, conserve, and manage much of the State's natural, cultural, historical, and recreational resources throughout the State. There are areas under the Department of Land and Natural Resources' jurisdiction on each island, and these areas include a wide variety of geographical terrains across a large amount of land.

Your Committee also finds that the Division of Conservation and Resources Enforcement's operational budget was cut significantly during the recent economic recession. As a result of these cuts, the Division of Conservation and Resources Enforcement lacks the personnel and equipment it needs to fulfill its statutory and regulatory obligations. The Division's needs include additional enforcement personnel, training resources, uniforms, body armor, firearms, night vision goggles, and vehicles with emergency lights and sirens. Your Committee finds that providing funding for additional personnel and equipment would assist the Division to meet the challenges of protecting Hawaii's natural, cultural, historical, and recreational resources across the State.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 502, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 502, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 735 Ways and Means on S.B. No. 512

The purpose and intent of this measure is to provide for the establishment of a natural resource planning process.

Specifically, this measure:

- (1) Establishes the Hawaii One Plan Steering Committee to assist with the design of, identify the appropriate host server for, and implement the Hawaii One Plan;
- (2) Establishes confidentiality of information submitted to the Hawaii One Plan;
- (3) Requires the Hawaii One Plan Steering Committee to report to the Legislature on the funding status and implementation progress of the Hawaii One Plan; and
- (4) Appropriates funds for the implementation and operation of the Hawaii One Plan program.

Your Committee received written comments in support of this measure from the Oahu Resource Conservation & Development Council, Hawaii Agriculture and Research Center, Hawaii Farm Bureau, Maui County Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Cattlemen's Council, Hawaii Association of Conservation Districts, Hawaii Farmers Union United, Hawaii Aquaculture & Aquaponics Association, DuPont Pioneer, Ulupono Initiative, Waiakea Soil & Water Conservation Districts, and Larry Jeffs Farms LLC. Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that establishing an online system where farmers can easily create a preliminary conservation plan at a reduced cost will aid compliance with government regulations, increase farm productivity, maximize soil retention, and help implement best agricultural practices.

Your Committee notes that a pending grant application, pursuant to chapter 42F, Hawaii Revised Statutes, by the Oahu Resource Conservation and Development Council, mirrors the Hawaii One Plan established by this measure. Your Committee believes that despite the pending grant application, the Hawaii One Plan program should be permanently established by law.

Your Committee has amended this measure by:

- (1) Defining the Hawaii One Plan;
- (2) Adding the State Chief Information Officer to the Hawaii One Plan Steering Committee;
- (3) Clarifying that private entities are invited, rather than required, to become members of the Hawaii One Plan Steering Committee;
- (4) Changing the appropriation to an unspecified amount;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (6) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 512, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 512, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 736 Ways and Means on S.B. No. 521

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds in an amount up to \$45,000,000 to the Waimea Nui Community Development Corporation to assist an agricultural enterprise project with costs for the planning, acquisition, and construction of agriculture, renewable energy, and educational facilities.

The Department of Agriculture submitted written comments in support of this measure. The Department of Budget and Finance submitted written comments on this measure.

Your Committee finds that the Waimea Nui Community Development Corporation is a private not-for-profit organization that is working to revitalize the Waimea community in Hawaii County. Your Committee further finds that the issuance of special purpose revenue bonds to the Waimea Nui Community Development Corporation is in the public interest and will support the organization's efforts to develop the agricultural component of its plan to revitalize the Waimea community.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 521, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 737 Ways and Means on S.B. No. 524

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Hawaii for the Career Criminal Prosecution Unit and the Victim Witness Assistance Program.

Your Committee received written comments in support of this measure from the County of Kauai Office of the Prosecuting Attorney, Hawaii County Office of the Prosecuting Attorney, Maui Department of the Prosecuting Attorney, Department of the Prosecuting Attorney of the City and County of Honolulu, and the Crime Victim Compensation Commission. Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that the Career Criminal Prosecution Unit handles the most serious career criminals and that the Victim Witness Assistance Program provides direct support services to the victims and witnesses of crimes committed in Hawaii. Your Committee also finds that funding for these services has been reduced significantly in prior years. Your Committee believes that increased funding is necessary to maximize the effectiveness of both of these important programs.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 524, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 524, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Galuteria).

SCRep. 738 Ways and Means on S.B. No. 544

The purpose and intent of this measure is to provide funding for natural resource management.

Specifically, this measure appropriates:

- (1) \$4,000,000 for projects relating to watershed management plans;
- (2) \$6,000,000 for projects in accordance with the invasive species council, including invasive species prevention, control, outreach, research, and planning;
- (3) \$1,500,000 for fire, natural disaster, and emergency response equipment; and
- (4) \$1,000,000 for forest and outdoor recreation improvements.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Kauai County Department of Water, Hawaii Farm Bureau, The Nature Conservancy, The Coordinating Group on Alien Pest Species, Land Use Research Foundation of Hawaii, Hawaii Green Growth, Oahu Invasive Species Committee, Maui Invasive Species Committee, Big Island Invasive Species Committee, Mauna Kea Watershed Alliance, Hanalei Watershed Hui, A&B Properties Inc., and ten concerned individuals.

Your Committee finds that protecting forested watersheds is critically important to maintaining the supply of drinking water in the State. Your Committee further finds that the number of large fires that burn over one hundred acres have increased five-fold over the past forty years. Appropriating funds to protect the forested watersheds, combat forest fires, and respond to natural disasters will help to preserve these important natural resources.

Your Committee further finds that H.B. No. 500, the state budget, establishes, in part III, section 6, a program appropriation of \$4,000,000 for each year of fiscal biennium 2015-2017, to be expended by the Department of Land and Natural Resources to combat invasive species as directed by the Hawaii Invasive Species Council. Consequently, your Committee believes that the appropriation to mitigate the impacts of invasive species contained in this measure is duplicative of the executive budget request.

Your Committee has amended this measure by:

- (1) Deleting sections 4 and 5 of the measure, relating to the appropriation to address invasive species;
- (2) Changing the source of funding for fire, natural disaster, and emergency response equipment from the general fund to the natural area reserve fund established pursuant to section 195-9, Hawaii Revised Statutes;
- (3) Changing all of the appropriations to unspecified amounts; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 544, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 544, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 739 Ways and Means on S.B. No. 559

The purpose and intent of this measure is to better serve the State's military service personnel and veterans and more effectively manage the State's relationship with the armed forces.

Specifically, this measure:

- (1) Renames the Office of Veterans' Services as the Office of Military Affairs and Veterans' Services;
- (2) Expands the duties of the office to include:
 - (A) Interacting and working with the armed services in the State to address any issues of concern;
 - (B) Collecting and maintaining information pertaining to the military's economic impact in the State;

- (C) Serving as a liaison between the State's executive branch and the State's armed services; and
 - (D) Researching federal funding opportunities that relate to the military and veterans; and
- (3) Makes an appropriation to fund the expanded duties of the office.

Your Committee received written comments in support of this measure from the Department of Defense, The Chamber of Commerce of Hawaii, and one individual. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that the State's population of United States military service members and veterans is very sizeable and may continue to grow. The military's positive impact on the State's economy is critical and is second only to tourism. Military spending totals approximately \$8,800,000,000 each year and generates approximately 102,000 local jobs.

Your Committee further finds that there should be a meaningful public discussion about whether to expand the duties of the Office of Veterans' Services to include military affairs or to instead delegate military affairs responsibilities to another state agency.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 559, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 559, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 740 Ways and Means on S.B. No. 577

The purpose and intent of this measure is to replenish and establish a consistent source of funding for the Hawaii election campaign fund and establish that the operations of the Campaign Spending Commission shall be paid for with general funds.

The measure provides funding resources for the Hawaii election campaign fund by:

- (1) Depositing various campaign spending fine realizations into the Hawaii election campaign fund; and
- (2) Funding the operating expenses of the Campaign Spending Commission through the general fund.

Your Committee received written comments in support of this measure from the League of Women Voters Hawaii, Common Cause Hawaii, and five individuals. Your Committee received written comments in opposition to this measure from the Department of Accounting and General Services. The Campaign Spending Commission submitted written comments on this measure.

Your Committee finds that the Campaign Spending Commission is a vital state agency; accordingly, it is crucial that the Campaign Spending Commission is adequately funded. The Hawaii election campaign fund, the source of funding for the Campaign Spending Commission, has been significantly depleted. Your Committee believes that new means of financing must be explored to ensure adequate support for the Campaign Spending Commission going forward.

Your Committee has amended this measure by:

- (1) Deleting the provision requiring the general fund to pay for the operating expenses of the Commission; and
- (2) Requiring the Commission to conduct a study regarding the sustainability of its operations and finances and to report its findings and recommendations to the 2016 Legislature.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 577, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 577, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 741 Ways and Means on S.B. No. 423

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and the Victim Witness Assistance Program.

Your Committee received written comments in support of this measure from the Department of the Attorney General, County of Kauai Office of the Prosecuting Attorney, Hawaii County Office of the Prosecuting Attorney, Maui Department of the Prosecuting Attorney, Department of the Prosecuting Attorney of the City and County of Honolulu, and the Crime Victim Compensation Commission.

Your Committee finds that the Career Criminal Prosecution Unit handles the most serious career criminals and that the Victim Witness Assistance Program provides direct support services to the victims and witnesses of crimes committed in Hawaii. Your Committee also finds that funding for these services has been reduced significantly in prior years. Your Committee believes that increased funding is necessary to maximize the effectiveness of both of these important programs.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums; and

- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 423, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 423, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Galuteria).

SCRep. 742 Ways and Means on S.B. No. 436

The purpose and intent of this measure is to provide training to members of appropriate state councils, boards, and commissions about native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust.

Specifically, the measure:

- (1) Requires the Office of Hawaiian Affairs to establish, design, and administer a training course on native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust;
- (2) Requires members of appropriate state councils, boards, and commissions to take the training course; and
- (3) Authorizes other state or county officers, representatives, or employees to request to enroll in the training course.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Office of Hawaiian Affairs, the Land Use Commission, the Aha Moku Advisory Committee, the Ka Huli Ao Center for Excellence in Native Hawaiian Law, the Koolaupoko Hawaiian Civic Club, King Kamehameha HCC, the Association of Hawaiian Civic Clubs, Kua'aina Ulu 'Auamo, the Koolau Foundation, and the Society for Hawaiian Archaeology. Your Committee received written comments in opposition to this measure from the Land Use Research Foundation of Hawaii and the Center for Hawaiian Sovereignty Studies.

Your Committee finds that certain state councils, boards, and commissions administer public trust resources and programs that directly impact native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust. Your Committee further finds that, as entities of the State, these councils, boards, and commissions have a duty to protect and preserve these rights and a fiduciary duty to administer the public trust in the interest of the beneficiaries. Your Committee believes that the training course required by this measure will better prepare members of state councils, boards, and commissions to fulfill their responsibilities relating to native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 436 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Galuteria, Slom).

SCRep. 743 Ways and Means on S.B. No. 477

The purpose and intent of this measure is to appropriate moneys to improve the quality of existing public housing stock in the State.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority, Land Use Research Foundation of Hawaii, Hawaii Primary Care Association, and one individual. Your Committee received written comments on this measure from one individual.

Your Committee finds that the Hawaii Public Housing Authority, the only statewide public housing agency of the State, has a portfolio of eighty-five properties that comprises 6,195 units that serve over 6,100 families or more than 18,500 individuals. Your Committee believes that additional funding is needed to modernize units to correct health and safety issues and invest in accessibility and accommodation improvements. Your Committee further finds that this appropriation will support the plans, design, construction, and equipment to develop, upgrade, or renovate public housing facilities.

Your Committee finds that general obligation bonds are a more appropriate source of funding. Accordingly, your Committee has amended this measure by:

- (1) Changing the means of financing from general funds to authorizing the issuance of general obligation bonds and using the revenues from those bonds to fund public housing improvements;
- (2) Changing the appropriation amount to an unspecified sum; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 477, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 477, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 744 Ways and Means on S.B. No. 1062

The purpose and intent of this measure is to expand the scope and authority of the Biosecurity Program in the Plant Quarantine Branch of the Department of Agriculture by making it a department-wide program.

More specifically, the measure repeals part VI, chapter 150A, Hawaii Revised Statutes, regarding the Biosecurity Program in the Plant Quarantine Branch and reenacts its provisions as a new part in chapter 141, Hawaii Revised Statutes, regarding the general authority of the Department of Agriculture.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Hawaii Farm Bureau, and Nature Conservancy.

Your Committee finds that biosecurity is a priority for the Department of Agriculture and the State. Currently, the Biosecurity Program may only provide services to the Plant Quarantine Branch due to its statutory establishment within chapter 150A, Hawaii Revised Statutes. Reenacting the provisions of part VI, chapter 150A, Hawaii Revised Statutes, in the general statutes of the Department of Agriculture, chapter 141, Hawaii Revised Statutes, will authorize the Biosecurity Program to provide services for all branches of the Department of Agriculture, including the Livestock Disease Control, Plant Pest Control, Pesticides, and Market Development Branches.

Your Committee has amended this measure by designating existing sections 141-1 to 141-10, Hawaii Revised Statutes, as part I, chapter 141, Hawaii Revised Statutes, entitled "General Provisions".

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1062, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1062, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 745 Ways and Means on S.B. No. 1067

The purpose and intent of this measure is to strengthen and update the laws on charitable solicitations.

Specifically, the measure:

- (1) Authorizes the Attorney General to require the electronic filing of specified documents from professional solicitors, commercial co-venturers, and charitable organizations;
- (2) Requires the electronic filing of annual financial reports from charitable organizations;
- (3) Imposes fines on professional solicitors for failing to timely file their required financial reports;
- (4) Authorizes the Attorney General to impose administrative fines on commercial co-venturers for violations; and
- (5) Adds educational institutions accredited by the Northwest Accreditation Commission for primary and secondary schools as another type of charitable organization that is eligible for exemption from the registration and financial reporting requirements.

Your Committee finds that this measure will support the efforts of the Department of the Attorney General in executing its duties under the charitable solicitations law.

Your Committee has amended this measure by changing the effective date to the date of the measure's approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1067, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1067, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 746 Ways and Means on S.B. No. 1072

The purpose and intent of this measure is to make an emergency appropriation of \$1,100,000 for fiscal year 2014-2015 to the Department of the Attorney General for expenses related to major litigation involving the State.

Your Committee finds that the Department of the Attorney General anticipates incurring extraordinary litigation expenses before the end of the 2014-2015 fiscal year. These expenses include retaining expert counsel and expert witnesses for the State's defense in several major lawsuits. The Attorney General will also require funds to investigate the circumstances surrounding the 2013 Honolulu Harbor molasses spill and prepare a lawsuit to recover damages. Your Committee further finds that an appropriation of \$1,100,000 for fiscal year 2014-2015 will adequately cover major litigation costs involving the State.

Your Committee is concerned, however, over the Department of the Attorney General's willingness to outsource its legal work. Your Committee also encourages the Department of the Attorney General to exercise due diligence when determining the merits of a case for the purposes of choosing to pursue litigation or settling the matter.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1072 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 747 Ways and Means on S.B. No. 1074

The purpose and intent of this measure is to require the Office of Planning to review the Hawaii State Plan and to report to the Legislature with recommendations to update the plan in response to current state needs.

The measure also appropriates the sum of \$250,000 for fiscal years 2015-2016 and 2016-2017 for the Office of Planning to conduct the review.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; and the Office of Planning.

Your Committee finds that the Hawaii State Planning Act was enacted in 1978 to improve the planning process and guide future development of the State. However, the most recent update of the Hawaii State Plan was completed in 1985. Your Committee believes that it is necessary to update the plan to respond to the significant changes that have occurred in Hawaii's economic, environmental, and social conditions; technology; and the global marketplace.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$250,000 to an unspecified amount;
- (2) Changing the effective date from July 1, 2015, to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1074, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1074, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 748 (Majority) Ways and Means on S.B. No. 1076

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (14) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, East Hawaii Region of Hawaii Health Systems Corporation, and Office of Collective Bargaining.

Your Committee finds that negotiations for collective bargaining unit (14) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1076, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 749 Ways and Means on S.B. No. 204

The purpose and intent of this measure is protect north shore Oahu beaches by appropriating moneys to the University of Hawaii Sea Grant College program to create a north shore beach management plan.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, University of Hawaii, City and County of Honolulu Department of Design and Construction, Land Use Research Foundation of Hawaii, Hawaii Shore and Beach Preservation Association, Harold K.L. Castle Foundation, and seven individuals.

Your Committee finds that several north shore Oahu beaches are at risk of erosion and deterioration from inclement weather, climate change, and intensive use. The north shore of Oahu is one of the most popular tourist areas in the State, and many of its beaches are internationally famous for their beauty and surf. The University of Hawaii Sea Grant College program has previously produced a beach and dune management plan for Kailua beach, which analyzed the state of Kailua beach and recommended management measures to be taken by government and interested private parties to protect and preserve the beach. Your Committee finds that the north shore Oahu community has expressed strong interest and support for the development of a similar beach management plan for north shore Oahu beaches.

Your Committee further finds that the State must take proactive steps to protect north shore beaches to ensure Hawaii's environmental sustainability and preserve its tourism industry.

Your Committee notes that the University of Hawaii Sea Grant College program has estimated a cost of \$400,000 over the 2015-2017 fiscal biennium for the program to prepare the north shore beach management plan.

Your Committee has amended this measure to require a dollar-for-dollar match from private or other non-state sources for the expenditure of any funds appropriated for the preparation of the beach management plan.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 204, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 204, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 750 (Majority) Ways and Means on S.B. No. 216

The purpose and intent of this measure is to redefine “overtime compensation” in the context of public works construction contracts greater than \$2,000.

Specifically, this measure:

- (1) Establishes the present rate of overtime compensation as the minimum required rate; and
- (2) Sets the rate for overtime work as the rate specified in a collective bargaining agreement if the basic hourly rate is based upon a collective bargaining rate.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and the Hawaii Construction Alliance. Your Committee received written comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that this measure authorizes the payment of overtime compensation for public works contracts at a higher ratio than “time and a half” if such a rate is contained in an applicable collective bargaining agreement. The measure will also level the playing field by requiring non-union contractors to pay the same higher rates for overtime as union contractors, who are already paying overtime compensation that is more than the current statutory rate of one and one-half times the prevailing rate.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 216, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 216, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 751 Ways and Means on S.B. No. 262

The purpose of this measure is to continue the nursing facility sustainability program by extending the program’s sunset date to June 30, 2016, and appropriating funds from the nursing facility sustainability program special fund.

Your Committee received written comments in support of this measure from the Department of Human Services, The Chamber of Commerce of Hawaii, Hawaii Health Systems Corporation, Hawaii Primary Care Association, The Healthcare Association of Hawaii, and The Queen’s Health Systems.

Your Committee finds that most residents in Hawaii’s nursing facilities are Medicaid enrollees. However, Medicaid payments to nursing facilities were previously not sufficient to cover the actual costs of providing care to these residents. The Legislature sought to address this situation when it created the nursing facility sustainability program to increase Medicaid payments to nursing facilities.

Your Committee further finds that it is necessary to extend the nursing facility sustainability program to ensure that nursing facility residents who benefit from the program continue to have access to quality care.

Your Committee has amended this measure by making a technical nonsubstantive amendment to clarify language in section 2 of the Act regarding the repeal and reenactment of section 36-30(a), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 262, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 262, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 752 Ways and Means on S.B. No. 276

The purpose and intent of this measure is to establish the Hawaii kupuna trust fund as a separate fund of a nonprofit entity to be selected by the Director of Health, with the concurrence of the Governor, to award grants to augment elderly and vulnerable adult care.

Your Committee received written comments in support of this measure from the Department of Human Services, the Maui County Office on Aging, the American Association of Retired Persons (AARP), and two individuals. Written comments in opposition to this measure were received from the Department of Budget and Finance and the Department of Health, Executive Office on Aging (EOA).

Your Committee finds that the trust fund will be used to raise funds to supplement or provide additional support to the public funding of senior services, and will not replace or adversely impact priorities indicated in the Executive Budget. Your Committee notes, however, that the Executive Office on Aging believes that the measure may duplicate the ongoing work of the office. Your Committee therefore expresses its hope that the concerns of the Executive Office on Aging will be further explored as this measure crosses over to the House of Representatives for its consideration.

Your Committee has amended this measure by:

- (1) Requiring the selected nonprofit entity to submit its annual audits to the Department of Health and to permit specified public entities to inspect and have access to any of the materials pertinent to the fund and audit;
- (2) Making consistent the use of the term “elderly and vulnerable adults”;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

- (4) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 276, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 276, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 753 Ways and Means on S.B. No. 298

The purpose and intent of this measure is to appropriate moneys for the purchase of one advanced life support ambulance and equipment and for personnel costs, for the Makalei area on the island of Hawaii.

Your Committee received written comments in support of this measure from the Hawaii County Council and one individual. Your Committee received written comments in opposition to this measure from one individual. The Department of Health submitted written comments on this measure.

Your Committee finds that the population of the Makalei area on the island of Hawaii has recently experienced significant population growth. In conjunction with the population growth, the Makalei area has experienced a steady increase in calls for emergency medical services to the area, as many Makalei residents live far from the nearest primary care services and must rely on emergency medical services for care. Increased calls for emergency medical services can result in delays in call response time, possibly resulting in serious medical complications for those needing medical attention. An additional ambulance will provide this area with more access to health care and limit response times to the area for emergency medical services.

Your Committee requests that, should subsequent Standing Committees decide to consider this measure, those Committees:

- (1) Obtain from the Department of Health an accurate cost assessment on the amount of funding needed to fulfill the purposes of this measure;
- (2) Consider changing the means of financing from general funds to the emergency medical services special fund, if sufficient moneys are available in that special fund; and
- (3) Consider greater flexibility on the shift times during which the ambulance may be used.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 298, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 298, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 754 Ways and Means on S.B. No. 1211

The purpose and intent of this measure is to assist the State in preparing for major disasters by amending the major disaster fund expenditure ceilings.

Specifically, this measure:

- (1) Amends, to an unspecified amount, the expenditure ceiling the Governor may expend for immediate relief of an emergency or disaster;
- (2) Amends, to an unspecified amount, the expenditure ceiling available to match federal disaster relief funds; and
- (3) Requires the Director of the Hawaii Emergency Management Agency (Adjutant General) to submit a report to the Legislature within one month of any allotment or expenditure of major disaster fund moneys.

Your Committee received written comments in support of this measure from the State Department of Defense and the Hawaii Emergency Management Agency.

Your Committee finds that the current ceilings of \$2,000,000 are too low and that response costs for the recent disasters of Hurricane Iselle and the Puna lava flows have come close to reaching the maximum allowed by law. Increasing the upper limit on funds that are available for disaster relief will provide greater flexibility in ameliorating the effects of a large disaster.

Your Committee has amended this measure by:

- (1) Establishing a \$10,000,000 ceiling that the governor may expend for immediate relief of a single emergency or disaster;
- (2) Establishing a \$10,000,000 ceiling that may be made available for the purpose of obtaining matching federal disaster relief funds; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1211, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1211, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 755 Ways and Means on S.B. No. 1214

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue up to \$800,000,000 in special purpose revenue bonds on behalf of Hawaii Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., to finance multi-project capital improvement construction programs.

Your Committee received written comments in support of this measure from Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the proceeds of the sale of special purpose revenue bonds will be used by the public utilities to furnish electricity, including costs to cover the acquisition of land or the construction or acquisition of facilities used or related to the production, transmission, or distribution of electricity. Your Committee further finds that the issuance of these special purpose revenue bonds is in the public interest and will benefit the public health, safety, and general welfare.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1214 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Chun Oakland, Galuteria, Ruderman).

SCRep. 756 (Majority) Ways and Means on S.B. No. 1220

The purpose and intent of this measure is to implement an excise tax on nicotine products.

More specifically, this measure:

- (1) Expands the definition of "tobacco products" under section 245-1, Hawaii Revised Statutes, to include any product containing nicotine, but not containing tobacco;
- (2) Imposes an excise tax equal to eighty per cent of the wholesale price of any tobacco product, other than large cigars, sold by a wholesaler or dealer on and after January 1, 2016, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer;
- (3) Requires any increase in the excise tax rate imposed on cigarettes or little cigars on or after January 1, 2016, to trigger an automatic excise tax increase on other tobacco products, other than large cigars, on or after January 1, 2016; and
- (4) Requires the moneys collected under the excise tax on tobacco products, other than large cigars, to be deposited to the credit of the Hawaii cancer research special fund.

Your Committee received written comments in support of this measure from the Department of Health, University of Hawaii Cancer Center, American Cancer Society Cancer Action Network, American Lung Association of the Mountain Pacific, Coalition for a Tobacco-Free Hawaii, and one individual. Your Committee received written comments in opposition to this measure from 808 Smokes LLC, PC Gamerz, Vapor Etc., Volcano Fine Electronic Cigarettes, and fifteen individuals. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the United States Food and Drug Administration recently issued a proposed rule to expand the scope of its tobacco regulating authority to include, among other things, products containing nicotine derived from tobacco. In order to include nicotine products under the state cigarette tax and tobacco tax law, codified as chapter 245, Hawaii Revised Statutes, an amendment to the definition of "tobacco products" in section 245-1, Hawaii Revised Statutes, is necessary.

Your Committee also finds tobacco use is the single most preventable cause of disease, disability, and death in the United States. Despite this fact, tobacco products other than cigarettes are currently taxed at a lower rate than cigarettes, even though their use carries similar health risks. Your Committee believes that a similar tax rate for cigarettes and tobacco products is needed to act as a deterrent for all forms of tobacco use. However, your Committee also believes that the provision of the measure that requires an automatic excise tax rate increase is unnecessary. If, in the future, the Department of Taxation determines that the excise tax rate on tobacco products, other than large cigars, should be increased, it may propose specific statutory amendments to the Legislature at that time.

Your Committee has amended this measure by:

- (1) Deleting the provision requiring an automatic excise tax rate increase;
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1220, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1220, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Dela Cruz, Inouye). Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 757 Ways and Means on S.B. No. 1228

The purpose and intent of this measure is to authorize special innovative procurement as an additional method of source selection under the State Procurement Code.

Additionally, this measure requires the Procurement Policy Board to draft rules for public-private partnership contracts and also appropriates funds for the research and development of public-private partnership rules.

Your Committee received written comments in support of this measure from the State Procurement Office and Ulupono Initiative.

Your Committee finds that special innovative procurements enable the State to make procurements when unusual or unique circumstances exist that require other than full competition and standard procurement procedures would be contrary to the public interest.

Your Committee has amended this measure by:

- (1) Broadening the scope of the draft rules authority provided to the Procurement Policy Board from addressing just public-private partnership contracts to addressing special innovative procurements, including public-private partnership contracts;
- (2) Extending to 2017 the deadline for reporting the draft rules;
- (3) Clarifying the purpose of the appropriation to include assistance with the research and development of special innovative procurements as well as public-private partnership rules;
- (4) Changing the effective date to July 1, 2050, in order to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1228, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1228, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 758 Ways and Means on S.B. No. 1248

The purpose and intent of this measure is to expand the revenue stream into the Hawaiian language college revolving fund at the University of Hawaii at Hilo by allowing any funds generated by the Hawaiian Language College, Hawaiian Language Support Center, and indigenous outreach program through fees for service, training, and the sale of all products to be deposited into the revolving fund.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Aha Punana Leo, and one individual.

Your Committee finds that the Hawaiian Language College at the University of Hawaii at Hilo has established a wide range of Hawaiian language academic programs and a Hawaiian Language Support Center that draw many visitors from other states and countries. Your Committee further finds that the Hawaiian Language College requires a broader income base to support its mission. Your Committee believes that the expanded revenue stream will assist in increasing the revolving fund's income, thereby enabling the revolving fund to more adequately cover the Hawaiian Language College's programs costs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1248, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Slom).

SCRep. 759 Ways and Means on S.B. No. 1260

The purpose and intent of this measure is to promote glass recycling in the State.

Specifically, this measure requires the Department of Health to:

- (1) Consider and perform a cost-benefit analysis on combining the glass container processing streams for the advance disposal fee under chapter 342G, part VII, Hawaii Revised Statutes, and the deposit beverage container fee under chapter 342G, part VIII, Hawaii Revised Statutes;
- (2) Update its glass recycling policies to:
 - (A) Equally allow recycling and down-cycling of glass;
 - (B) Clearly allow the stockpiling of glass for purposes of maintaining inventory;
 - (C) Contain a complete list of approved down-cycling options; and
 - (D) Allow glass as an alternative daily cover in down-cycling options;
- (3) Work with stakeholders to make practical policies and rules regarding the stockpiling of processed glass;
- (4) Increase the recovery rate for advance disposal fee glass containers to seventy-five per cent; and
- (5) Submit a report to the Legislature prior to the 2016 Regular Session.

Your Committee received written comments in support of this measure from the Office of the Auditor and one concerned individual. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that Auditor's Report No. 14-16 determined that the Department of Health was not committed to administering the non-deposit glass fee, had not established rules and goals for the advance disposal fee, and could not provide vital information to the Legislature on the performance of the advance disposal fee regarding glass containers. This measure will help to provide vital information to the Legislature so that it may determine whether provisions of the advance disposal fee should be amended to further effectuate glass recycling in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1260 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 760 Ways and Means on S.B. No. 1281

The purpose and intent of this measure is to appropriate moneys to expand emergency medical services and ambulance services in the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas of Oahu.

The Department of Health submitted written comments on this measure.

Your Committee finds that Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village are high density areas. Additionally, the City and County of Honolulu Emergency Medical Services only operates twenty ambulances on the entire island of Oahu. In 2014, the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas experienced 4,418 calls for emergency medical services. Between 2001 and 2014, response times to emergency calls from these areas increased from 8.46 minutes to 9.4 minutes. Your Committee recognizes that increased emergency response times can mean the difference between life and death for persons who need emergency medical attention.

Your Committee requests that should subsequent Standing Committees decide to hear this measure, subsequent Standing Committees consider using the emergency services special fund as an alternative means of financing for this appropriation if sufficient moneys are available in that special fund. Your Committee also suggests that the subsequent committees request the Department of Health to provide a more accurate estimate of the amount of funding needed to fulfill the purposes of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1281, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1281, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 761 Commerce and Consumer Protection on S.B. No. 754

The purpose and intent of this measure is to:

- (1) Provide cancellation rights to persons who contract to buy a short-term product in Hawaii; and
- (2) Allow disbursement of purchasers' funds to a developer; provided that the developer first posts a bond, letter of credit, or other financial assurance.

Your Committee received testimony in support of this measure from the American Resort Development Association Hawaii, Starwood Vacation Ownership, and Wyndham Vacation Ownership. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that short-term products are intended to allow a potential time share buyer the opportunity to stay in a time share resort on a trial basis. If the buyer decides to proceed with a purchase, some or all of the amount paid by the buyer for the short-term product is typically credited toward the purchase price of the time share interest. Under existing law, there is a seven-day rescission right for the sale of a time share interest, but this rescission right does not apply to sales of short-term products. This measure proposes cancellation rights for persons who contract to buy a short-term product in Hawaii.

Your Committee further finds that under existing law, when a buyer purchases a time share that is in the development stage, the purchase funds may be placed in escrow and disbursed to the developer to cover construction costs. However, if the developer defaults, due to the use of subordination clauses in the purchase contract, the buyer's rights are subordinated to the rights of the construction lender. To overcome this disadvantage, other states have adopted laws permitting a time share developer to use buyer deposits upon posting a bond, letter of credit, or other financial assurance. Similarly, this measure allows disbursement of purchasers' funds to a developer if the developer first posts a bond, letter of credit, or other financial assurance.

However, your Committee has heard the concerns raised by the Regulated Industries Complaints Office regarding certain provisions of this measure that give cancellation rights to purchasers of short-term products in Hawaii. Your Committee has also heard the concerns raised by the Professional and Vocational Licensing Division regarding the language in this measure that would allow developers to post a surety bond, irrevocable letter of credit, or other financial assurance instead of requiring purchasers' funds to remain in escrow prior to closing.

In response to these concerns, your Committee notes that interested stakeholders have collaborated on compromise language that ensures additional consumer protections related to the sale of short-term products in Hawaii. Amendments to this measure are therefore necessary to reflect this consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying what a short-term product seller must disclose to all short-term product buyers, including specific blackout dates if the short-term product is subject to blackout dates and a requirement to pay transient accommodations tax for the occupancy of transient accommodations in Hawaii, if applicable;
- (2) Clarifying the contents and placement of the disclosure that must be included in the contract to purchase a short-term product;
- (3) Clarifying the process for the right to cancel that a short-term product buyer may exercise;
- (4) Removing language that would have limited action on violations related to short-term products to four years;
- (5) Removing language that stated the offer of sale of short-term products by the developer or an affiliate of the developer would not be subject to chapter 468L, Hawaii Revised Statutes;
- (6) Removing all language and references that would have allowed disbursement of purchasers' funds to a developer if the developer first posts a letter of credit or other financial assurance;
- (7) Clarifying that the developer of a time share plan may be entitled to the release of a time share purchaser's funds from escrow prior to closing and after the seven-day cancellation period; provided that the developer has first deposited a surety bond;
- (8) Clarifying the requirements for a surety bond filed with the Director of Commerce and Consumer Affairs;
- (9) Lowering the time period in which the surety must deposit funds with an escrow agent from ninety days to thirty days;
- (10) Removing language regarding a bond, letter of credit, or other financial assurances for accommodations of a time share plan located outside the State;
- (11) Specifying that the amount of refund a purchaser may be entitled to receive shall not be reduced to pay the cost of any surety bond deposited by the developer;
- (12) Specifying the additional contents of a disclosure statement that must be included if an escrow agreement permits the release of purchasers' funds;
- (13) Specifying that a sales contract for the sale of a time share interest must include a deadline by which the closing of the sale must occur and permitting a purchaser to exercise a right to cancel the sales contract at any time after the specified closing date, if the closing date does not occur on or before the closing deadline;
- (14) Clarifying the definitions of "conspicuous type" and "short-term product";
- (15) Clarifying requirements for a developer or an affiliate of a developer to deposit into escrow all loan payments made by the purchaser prior to closing;
- (16) Inserting an effective date of July 1, 2115, to encourage further discussion, and inserting a five-year sunset date for certain amendments proposed by this measure; and
- (17) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 754, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 754, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 762 Judiciary and Labor on S.B. No. 1071

The purpose and intent of this measure is to clarify that the police may issue a permit to acquire a firearm to a lawful permanent resident alien.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that in a 2014 decision, the United States District Court for the District of Hawaii held that it was a violation of the equal protection clause of the United States Constitution as it applies to permanent resident aliens where a lawful permanent resident alien was not allowed to apply for a permit to acquire a firearm on the basis that he was not a citizen of the United States. This measure would clarify the Hawaii Revised Statutes and bring the State into compliance with the District Court's finding and the equal protection clause of the United States Constitution as it applies to permanent resident aliens.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1071 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 763 Judiciary and Labor on S.B. No. 1131

The purpose and intent of this measure is to:

- (1) Update the Uniform Controlled Substances Act, chapter 329, Hawaii Revised Statutes (HRS), for consistency with amendments to federal law on controlled substances;
- (2) Amend section 329-20, HRS, to add new controlled substances that have been federally scheduled, as required under section 329-11, HRS; and
- (3) Add a new synthetic cathinone and eight new synthetic cannabinoids to section 329-14, HRS.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that this measure amends Hawaii's Uniform Controlled Substances Act, codified as chapter 329, HRS, to be consistent with changes in federal law and any emergency scheduling actions taken by the Narcotics Enforcement Division Administrator, as required by section 329-11, HRS. Your Committee further finds that there is a growing problem in the State of new synthetic hallucinogenic substances being offered for sale to the public as herbal incense, bath salts, plant food, or legal highs. Numerous adverse effects have been reported from these new synthetic cathinones and synthetic cannabinoids, including seizures, coma, agitation, convulsions, and in some cases, death.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1131, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1131, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 764 Judiciary and Labor on S.B. No. 1166

The purpose and intent of this measure is to amend the penal code to:

- (1) Allow for the preparation of a corpse for burial or cremation consistent with traditional Hawaiian cultural customs and practices; and
- (2) Allow for the burial or cremation of a corpse that has been prepared consistent with traditional Hawaiian cultural customs and practices.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Center for Hawaiian Sovereignty Studies, Koolau Foundation, Koolaupoko Hawaiian Civic Club, and one individual.

Your Committee finds that this measure would help to address the confusion over whether the treatment of a corpse consistent with traditional Hawaiian cultural customs and practices would constitute a violation of the penal code.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1166, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1166, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 765 Judiciary and Labor on S.B. No. 1174

The purpose and intent of this measure is to:

- (1) Provide that an independent medical examination and permanent impairment rating examination shall be conducted by a qualified physician selected by the mutual agreement of the parties; and
- (2) Provide a process for appointment in the event that there is no mutual agreement.

Your Committee received testimony in support of this measure from the Hawaii Injured Workers Association; International Longshore and Warehouse Union, Local 142; and nineteen individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources, City and County of Honolulu; Chamber of Commerce Hawaii; General Contractors Association of Hawaii; Grace Pacific LLC; Hawaii Insurers Council; Healy Tibbitts Builders, Inc.; Jade Painting, Inc.; Jayar Construction, Inc.; King & Neel, Inc.; LYZ, Inc.; M. Shiroma Painting Co., Inc.; Mechanical Contractors Workers' Compensation Self-Insurance Group; PDCA of Hawaii Workers' Compensation Self-insurance Group; Property Casualty Insurers Association of America; Ralph S. Inouye Co., Ltd.; Retail Merchants of Hawaii; Robert M. Kaya Builders, Inc.; Rons Construction Corporation; S & M Sakamoto, Inc.; Society for Human Resource Management – Hawaii Chapter; Specialty Surfacing Co. HI, Inc.; Tomco Corp.; Akira Yamamoto Painting, Inc.; Heartwood Pacific, LLC; and one individual. Your Committee received comments on this measure from the Department of Human Resources Development and Department of Labor and Industrial Relations.

Your Committee finds that the workers' compensation system is often adversarial in nature as both employee and employer often choose doctors that are highly partisan to each respective side. Mutual agreement regarding the selection of the independent medical examination or permanent impairment rating examination physician will serve to minimize or even eliminate negative perceptions about the examiner, providing greater assurance that the examination will be conducted fairly.

Your Committee notes with concern that this measure appears to require a selected physician to participate in an evaluation or examination without first obtaining that physician's advance consent to be nominated or perform services at a specific time and place. Your Committee also questions whether, in the absence of mutual agreement, the method of alternating to appoint then strike five nominees will ever, as a practical matter, result in one of the employee's nominees being used for the evaluation or examination.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1174, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Espero, Ihara). Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 766 Judiciary and Labor on S.B. No. 1279

The purpose and intent of this measure is to prohibit noncompete agreements and restrictive covenants that forbid post-employment competition of employees of a technology business.

Your Committee received testimony in support of this measure from six individuals.

Your Committee finds that noncompete clauses are designed to protect employers by prohibiting former employees from freely sharing with competitors the confidential information of a former employer's operations, customer or client lists, business practices, upcoming products, and market plans. Inclusion of these clauses encourages companies to hire more employees because employers are provided protection to hire, contract, and otherwise operate a business without the fear that confidential business information and knowledge will be passed on to a competitor without any limits or consequences. Protecting intellectual property is vital to the continued growth of Hawaii's innovation economy.

Your Committee is concerned that the definition of "technology business" is not clear enough to provide employers and employees with meaningful advanced notice of whether the company in question is subject to this new statutory prohibition. In particular the term "revenue" could present different interpretations and is not defined with respect to any temporal measurement relative to the time of employment. Your Committee encourages the lead subject matter committees to examine these issues further as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Deleting language that would have applied to noncompete and nonsolicit clauses entered into after June 30, 2015, and all amendments that add or amend noncompete and nonsolicit clauses in agreements created prior to July 1, 2015;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1279, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1279, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 767 Judiciary and Labor on S.B. No. 1030

The purpose and intent of this measure is to:

- (1) Increase the minimum age for persons who may purchase tobacco products or electronic smoking devices from eighteen to twenty-one years of age;
- (2) Amend the definition of "electronic smoking device" as used in section 709-908, Hawaii Revised Statutes (HRS); and
- (3) Define "tobacco product" as used in section 709-908, HRS.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii System, University of Hawaii Student Health Advisory Council, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, American Heart Association, and thirty-eight individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance and seventeen individuals.

Your Committee finds that the use of e-cigarettes is prevalent among adolescents in Hawaii. According to recent figures from six Hawaii high schools, among the ninth and tenth grade students, twenty-nine percent have used e-cigarettes at least once and eighteen percent use them regularly. This sample's rate of e-cigarette use is considerably higher than rates in current studies of adolescents in other areas of the United States.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1030, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Espero). Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 768 Judiciary and Labor on S.B. No. 987

The purpose and intent of this measure is to clarify that a post-secondary educational institution may request an administrative hearing following receipt of notification of denial or of intent to suspend or terminate any authorization.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that existing law permits a post-secondary educational institution to request an administrative hearing pursuant to chapter 91, Hawaii Revised Statutes, if that institution is placed on probation. However, existing law does not set forth the administrative remedies available to an institution when it receives notice of denial or intent to suspend or terminate any authorization. Your Committee further finds that this measure would clarify that in these instances, the institution may request an administrative hearing for review as well.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 987, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 987, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 769 Judiciary and Labor on S.B. No. 982

The purpose and intent of this measure is to establish limited immunity for individuals who seek medical assistance for themselves or others experiencing a drug or alcohol overdose or other medical emergency.

Your Committee received testimony in support of this measure from the Department of Health; Hawaii State Commission on the Status of Women; The Community Health Outreach Work Project; Americans for Safe Access, Big Island Chapter; The Drug Policy Action Group; The Drug Policy Forum of Hawaii; and twelve individuals.

Your Committee finds that Good Samaritan policies, also known as medical amnesty, are life-saving measures that are in the best interest of the public's health, safety, and welfare. These policies facilitate responsible decision-making by shielding individuals from punishment when they seek medical attention during an emergency involving alcohol and controlled substances. Your Committee further finds that if criminal punishment is intended to deter drug abuse, it clearly is too late to deter abuse when a person is already suffering from an overdose. Good Samaritan policies should not be perceived as a "get out of jail free card" or a reward for illegal drug use. Rather, they enable individuals to make potentially life-saving decisions promptly and without hesitation.

Your Committee has amended this measure by:

- (1) Deleting references to "other medical emergency" in association with "drug or alcohol overdose" for further clarity;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion;
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 982, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 982, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 770 Judiciary and Labor on S.B. No. 736

The purpose and intent of this measure is to:

- (1) Require an entity to send written notice to a health care provider at least thirty calendar days prior to initiation of any insurance recoupment or offset demand efforts; and
- (2) Prohibit an entity from initiating any recoupment or offset efforts more than eighteen months after an initial claim payment was received by a health care provider, with certain exceptions.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, Hawaii Primary Care Association, and Hawaii Psychological Association.

Your Committee finds that while health care providers in Hawaii generally have twelve months to submit claims to health insurance plans, there is no similar time limit that prevents health insurers from attempting to recoup funds paid to health care providers. In a previous hearing, your Committee on Commerce and Consumer Protection found that eighteen months is a reasonable time period for a health insurer to seek recoupment or an offset.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 736, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 771 Judiciary and Labor on S.B. No. 725

The purpose and intent of this measure is to authorize the Board of Dental Examiners to summarily suspend a license, establish procedures for the summary suspension, and establish a penalty for continuing to practice dentistry, or attempting to do so, while the summary suspension of a license is in effect.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from the Board of Dental Examiners.

Your Committee finds that the dental licensing laws provide the public with protection from the unlicensed practice of dentistry and other harmful activities. Allowing the Board of Dental Examiners to summarily suspend licenses to prevent actions that threaten patient health or safety, will ultimately better protect the public.

Your Committee has amended this measure by:

- (1) Removing the language that would have made a violation a class C felony; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 725, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 725, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 772 Judiciary and Labor on S.B. No. 683

The purpose and intent of this measure is to:

- (1) Create a limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit;
- (2) Provide that limited purpose driver's licenses, limited purpose provisional driver's licenses, and limited purpose instruction permits shall not be acceptable for federal identification and voting purposes; and
- (3) Require satisfactory proof of identity and Hawaii residency.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, Planned Parenthood of Hawaii, and Hawaii Coalition for Immigration Reform. Your Committee received testimony in opposition to this measure from the Department of Transportation and one individual. Your Committee received comments on this measure from the Hawaii Insurers Council.

Your Committee finds that the federal REAL ID Act of 2005, Pub. L. No. 109-13, requires states to comply with federally mandated eligibility criteria in issuing driver's licenses, including the requirement of proof of lawful presence in the United States. Accordingly, a person who does not submit satisfactory proof of the person's legal presence in the United States, as authorized by federal law, cannot legally operate a motor vehicle. The REAL ID Act, however, specifically allows states to issue driver's licenses that do not comply with the minimum federal use requirements and standards of the REAL ID Act, a critical exception.

Your Committee further finds that since 2010 when the State implemented the restrictive identification requirements for driver's licenses, a significant number of residents have become unable to carry out necessary daily activities unless they operate motor vehicles without a license and, therefore, without insurance. This measure provides an alternative method to obtain a driver's license.

Your Committee notes that the Department of Transportation will need time to implement this limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit program. Accordingly, your Committee requests the Department to develop and present a feasible timeline for implementation as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Transportation that deletes section 2 and inserts language substantially similar to language under section 3 of H.B. No. 1007 (Regular Session of 2015);
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 683, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 683, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 773 Judiciary and Labor on S.B. No. 273

The purpose and intent of this measure is to allow the examiner of drivers to accept a sworn statement from a victim services organization, an attorney, a member of the clergy, correctional institution staff, or a medical or health professional as documentary evidence of a homeless person's address, date and place of birth, occupation, or social security number.

Your Committee received testimony in support of this measure from Hawaii Youth Services Network, ImuAlliance, Pacific Alliance to Stop Slavery, Rainbow Family 808, and twenty individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that the lack of legal identification is a barrier to homeless persons applying for employment or seeking benefits and services. Allowing qualified persons to provide documentation via a sworn statement would assist homeless persons to obtain critical services, obtain employment, enroll in school, and become more self-sufficient.

Your Committee has amended this measure by:

- (1) Removing place of birth, occupation, and social security number from the list of items of which the examiner of drivers may accept a sworn statement as documentary evidence, for the purpose of complying with the requirements of the Real ID Act of 2005; and
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 273, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 273, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 774 Judiciary and Labor on S.B. No. 589

The purpose and intent of this measure is to require the renewal of certain property insurance policies in areas where a state of emergency has been declared due to the threat of lava flow. This measure would also lift the moratorium on issuing new property insurance policies in these same areas.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Hawaii Insurers Council.

Your Committee finds that the ongoing lava flow from the Kilauea volcano has had a significant impact on residents and businesses of the Puna district on Hawaii island. Among other things, a moratorium on the sale of new property insurance has been implemented on property in Puna. This measure would help to address this situation by requiring the renewal of certain property insurance policies in the Puna district and lifting the moratorium on the issuance of new policies.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 589, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 589, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 775 Judiciary and Labor on S.B. No. 752

The purpose and intent of this measure is to require telecommunications carriers to release individuals from shared or family wireless plans, without charge, upon written request in documented instances of domestic violence.

Your Committee received testimony in support of this measure from PHOCUSED and four individuals. Your Committee received testimony in opposition to this measure from CTIA-The Wireless Association.

Your Committee finds that victims of domestic violence often find themselves struggling to escape their abusive situations. Being forced to share a continued wireless service plan with an abuser makes it even more difficult for a victim of domestic violence to leave and disassociate themselves from their abuser. Abusers will often manipulate their partners through cellular phones in ways that have significant safety and financial implications for victims. This measure enables victims of domestic violence to opt out of wireless contractual obligations and ensures the victims' safety by providing a new telephone number.

Your Committee notes the written testimony in opposition to this measure submitted by CTIA-The Wireless Association that this measure may violate title 47 United States Code section 332(c). To address this potential conflict with federal law, your Committee believes that amending chapter 586, Hawaii Revised Statutes (HRS), relating to domestic abuse protective orders, may be more appropriate to accomplish the purpose of this measure than amending chapter 269, HRS, relating to the Public Utilities Commission. However, your Committee encourages further discussion on this possible conflict with federal law as this measure moves through the legislative process.

In addition, as this measure moves through the legislative process, your Committee encourages discussion to explore other areas in which a court order requiring a wireless telecommunications service provider to release or transfer a victim of domestic abuse from a shared wireless plan may be applicable in assisting individuals with moving forward from relationship conflicts.

Accordingly, your Committee has amended this measure by:

- (1) Condensing the purpose section in section 1;
- (2) Removing the language under section 2 and replacing it with language suggested by CTIA-The Wireless Association through testimony received by your Committee which adds a new section to chapter 586, HRS, to authorize the Family Court to issue an order that requires wireless telecommunications service providers to transfer billing authority and rights to phone numbers

to petitioners who are domestic abuse victims or to release petitioners who are domestic abuse victims from shared wireless plans;

- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 752, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 752, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 776 Ways and Means on S.B. No. 895

The purpose and intent of this measure is to ensure the constitutionally mandated preservation of the Hawaiian language and culture by requiring all newly created, replaced, or reprinted state and county documents, letterheads, symbols, and emblems to contain accurate, appropriate, and authentic Hawaiian names and language.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs and one individual. Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the Hawaii State Constitution provides for the preservation and promotion of native Hawaiian culture, history, and language. The Hawaiian language is also established in statute as one of the official languages of the State. Your Committee further finds that one way to preserve and promote native Hawaiian culture, history, and language is by requiring state and county documents, letterheads, symbols, and emblems to contain accurate, appropriate, and authentic Hawaiian names and language.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 895, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Slom).

SCRep. 777 Ways and Means on S.B. No. 843

The purpose and intent of this measure is to make various housekeeping amendments to the laws relating to early childhood education.

Specifically, this measure:

- (1) Explicitly authorizes the Executive Office on Early Learning to use and expend federal funds for early learning education;
- (2) Defines “early childhood education” as a developmentally appropriate early childhood development and education program for children from birth until the time they enter kindergarten;
- (3) Deletes the definition of “early education”; and
- (4) Repeals the Board of Education’s authority to conduct federally funded public early education programs for children.

Your Committee received written comments in support of this measure from the Department of Education, The Chamber of Commerce of Hawaii, PHOCUSED, HE’E Coalition, Good Beginnings Alliance, and two individuals.

Your Committee finds that the Executive Office on Early Learning’s responsibility to develop early education programs for children presently overlaps with the Department of Education’s responsibility to develop education programs for children in kindergarten to the twelfth grade. This measure clarifies that the Executive Office on Early Learning’s responsibility is limited to pre-kindergarten children and that the Office has the authority to expend federal funds for early childhood education.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 843 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 778 Ways and Means on S.B. No. 892

The purpose and intent of this measure is to make appropriations for a Hawaii resilience and sustainability strategy in the areas of broadband, joint emergency management, energy efficiency and smart grid, and water and sewer infrastructure.

Specifically, the measure appropriates moneys for the:

- (1) Hawaii Broadband Initiative;
- (2) Design, construction, and materials for broadband cable landing sites and for the preparation of environmental impact statements for seven of those sites;
- (3) Planning, land acquisition, design, and construction of a joint emergency management center in Mililani High Technology Park;
- (4) Pacific-Asia Institute for Resilience and Sustainability’s management team to continue its collaborative research efforts in exploring methods to improve energy efficiency and grid operations in Hawaii; and

- (5) Pacific-Asia Institute for Resilience and Sustainability to research the water and sewer distribution systems on each island of the State.

Your Committee received written comments in support of this measure from the United States Pacific Command; the Department of Business, Economic Development, and Tourism; Hawaii Pacific University; the Kauai Fire Department; the State Fire Council; the Pacific-Asia Institute for Resilience and Sustainability; and two individuals. The Department of Health, High Technology Development Corporation, and Hawaii Farm Bureau provided written comments on the measure.

Your Committee finds that increased broadband capacity is critical to businesses and the growth of Hawaii's economy. Your Committee believes that this measure will facilitate the development of public-private partnerships to provide more secure, reliable, and resilient internet and data connectivity.

Your Committee requests that, as this measure is considered by subsequent Standing Committees, the appropriate stakeholders provide a priority list of broadband cable landing sites and complete cost estimates to those Committees, to apprise them of information necessary to move this measure forward.

Your Committee has amended this measure by:

- (1) Changing the means of financing for the appropriations in sections 4 and 5 of the measure from general funds to general obligation bonds;
- (2) Deleting sections 6 through 9 of the measure, which would have appropriated grant moneys under chapter 42F, Hawaii Revised Statutes, for research by the Pacific-Asia Institute for Resilience and Sustainability relating to energy efficiency and grid operations in the State and to county water improvement projects and water and sewer distribution systems on each island; and
- (3) Making conforming amendments to the purpose section to reflect amendments made to the substantive provisions of the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 892, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 892, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Harimoto).

SCRep. 779 Ways and Means on S.B. No. 866

The purpose and intent of this measure is to appropriate funds to support the After-School Plus (A+) Program.

More specifically, this measure appropriates moneys to:

- (1) Enhance and improve the content of the After-School Plus (A+) Program;
- (2) Develop and implement professional development training for program staff and an evaluation system; and
- (3) Alleviate the financial burden of families whose children attend After-School Plus (A+) Programs.

Your Committee received written comments in support of this measure from the Department of Human Services, YMCA of Honolulu, Hawaii Afterschool Alliance, Hui for Excellence in Education Coalition, Moiliili Community Center, Kahoomiki, and two individuals.

Your Committee finds that for over twenty-five years, the After-School Plus (A+) Program has provided an avenue for keeping upwards of twenty thousand children in a safe and nurturing environment after school until their families return home to care for them. However, the After-School Plus (A+) Program has received less State support in recent years due to the economic recession that began in 2008.

Your Committee also finds that the cost of tuition for one child in the After-School Plus (A+) Program has risen \$60 since the Program's inception. This increase has been a burden on many Hawaii families enrolled in the program. Additionally, the increased State minimum wage will result in increased operating costs for the After-School Plus (A+) Program. Your Committee finds that the After-School Plus (A+) Program should be adequately funded so that it may continue to serve Hawaii's children and their families.

Your Committee has amended this measure by:

- (1) Changing the means of financing for the appropriation from general funds to the after-school plus (A+) program revolving fund;
- (2) Changing the amount of the appropriation from \$6,000,000 to \$1,000,000;
- (3) Adding a provision requiring the Department of Education to submit a report to the Legislature detailing the efforts of the Department to address how increases in the state minimum wage will affect the After-School Plus (A+) Program, and any proposals to assist families struggling with the tuition costs of the After-School Plus (A+) Program; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 866, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 866, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 780 Ways and Means on S.B. No. 857

The purpose and intent of this measure is to extend until June 30, 2020, the Department of Education's exemption from the Comptroller's complete supervision of all accounts, including the preauditing of all proposed payments of \$10,000 or more.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that the Department of Education has demonstrated its capability to continue making its own determinations of the propriety of its expenditures and its compliance with applicable law.

Your Committee has amended this measure by clarifying the repeal and reenactment provisions pertaining to amendments by prior Acts to section 40-1, Hawaii Revised Statutes, amended in this measure, and other related sections of the Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 857, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 857, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 781 Ways and Means on S.B. No. 854

The purpose and intent of this measure is to amend the Department of Education's pilot program for the lease of public school lands to require lessees of public school land and facilities to modify, construct, or utilize the facilities to benefit public educational purposes, rather than a broader requirement to meet public purposes.

The measure also:

- (1) Authorizes the Department of Education to enter into leaseback agreements; and
- (2) Requires the Department of Accounting and General Services to negotiate and process all leases entered into under the pilot program for the lease of public school land.

Your Committee received written comments in support of this measure from the Building Industry Association and the Chamber of Commerce Hawaii. The Department of Accounting and General Services and the Land Use Foundation of Hawaii submitted written comments on the measure.

Your Committee finds that this measure will facilitate the use of excess and underutilized public school lands to benefit Hawaii's public education system. Your Committee further finds that the measure's leaseback provision will allow the Department of Education to engage in public-private partnerships to achieve that purpose.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Department of Accounting and General Services negotiate and process all leases entered into under the pilot program; and
- (2) Defining the term "public educational purposes," rather than the term "public educational benefits," to more accurately reflect relevant language in the measure.

Your Committee notes that, although the measure has been amended to no longer require the Department of Accounting and General Services to negotiate and process leases of public school land, it may be prudent for the Department of Education to consult with the Department of Accounting and General Services in developing procedures to negotiate public-private partnership agreements relating to the lease of public school land.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 854, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 854, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Galuteria).

SCRep. 782 Ways and Means on S.B. No. 847

The purpose and intent of this measure is to amend statutory requirements for teacher bonuses to reflect new benchmarks implemented by the Department of Education.

Specifically, this measure:

- (1) Repeals language authorizing an annual bonus for national board certified teachers at schools that are restructuring or not making average yearly progress, under the No Child Left Behind Act, and adds language authorizing an annual bonus for national board certified teachers at schools in a focus, priority, or superintendent's zone or schools designated title I under the federal Elementary and Secondary Education Act of 1965; and
- (2) Provides an additional annual \$5,000 bonus for national board certified teachers who continue to teach at a school that has transitioned out of a qualifying designation.

Your Committee received written comments in support of this measure from the Department of Education, the Hawaii Teacher Standards Board, HE'E Coalition, and twenty-eight individuals.

Your Committee finds that this measure will allow the State to continue to provide bonuses to national board certified teachers in light of changing Department of Education standards and federal legislation.

Your Committee has amended this measure by deleting the provisions relating to bonuses for national board certified teachers at schools designated or formerly designated as title I under the federal Elementary and Secondary Education Act of 1965.

Your Committee notes that if the bonuses for national board certified teachers at title I or former title I schools is a priority incentive for the Hawaii State Teachers Association, those bonuses may be negotiated for inclusion in the next collective bargaining agreement for bargaining unit (5).

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 847, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 847, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Galuteria, Riviere, Ruderman).

SCRep. 783 Ways and Means on S.B. No. 836

The purpose and intent of this measure is to support charter schools by providing a framework for the acquisition of public charter school facilities.

Your Committee received written comments in support of this measure from the State Public Charter School Commission and the Office of Hawaiian Affairs. Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that charter schools have struggled with obtaining adequate facilities funding for a long time. More specifically, start-up charter schools face difficulties funding the costs of their facilities because they must use operational funds to cover these costs. Your Committee believes that support is needed for charter schools to obtain adequate facilities to ensure the financial, academic, and organizational well-being of public charter schools. Your Committee further finds that providing a reliable framework to use vacant state department facilities will relieve some of the financial burden on the public charter schools.

Your Committee also finds that requiring each state department to adopt rules for the use of its vacant facilities would be overly burdensome. Accordingly, your Committee has amended this measure by:

- (1) Removing the requirement that each department adopt rules regarding the use of its vacant facilities, and deleting the definition of "department"; and
- (2) Deleting references to twenty-first century schools and mixed-use facilities as allowable uses of vacant department facilities.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 836, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 836, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 784 Ways and Means on S.B. No. 64

The purpose and intent of this measure is to appropriate moneys for subsidies, three positions, and contract services for the continued implementation of the preschool open doors program.

Your Committee received written comments in support of this measure from the Department of Human Services; State Early Learning Advisory Board; Aha Punana Leo; YMCA of Honolulu; Childcare Business Coalition; Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled; Family Programs Hawaii; HE'E Coalition; Good Beginnings Alliance; Hawaii Association for Infant Mental Health; KCAA Preschools of Hawaii; Olive Baptist Preschool; and nine individuals.

Your Committee finds that the preschool open doors program is Hawaii's school readiness program that allows approximately one thousand three hundred children to attend licensed preschools to prepare them for kindergarten entry. Your Committee further finds that this program provides a valuable lifeline to moderate and low income families by providing critical subsidies for their children to attend licensed preschools. Your Committee notes that this appropriation is only for the 2015-2017 fiscal biennium, and that the proponents of this program should advocate for additional funds in the executive budget going forward.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 64, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 64, S.D. 3.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 785 Ways and Means on S.B. No. 519

The purpose and intent of this measure is to require operators of transient accommodations and plan managers of resort time share vacation plans to inform consumers that they are in compliance with registration requirements.

More specifically, this measure:

- (1) Amends Act 326, Session Laws of Hawaii 2012, by removing the repeal date, thereby making it permanent; and
- (2) Authorizes the Department of Taxation to enforce civil penalties for operators and plan managers who fail to conspicuously display the required certificate of registration or notice.

Your Committee received written comments in support of this measure from the Hawaii Lodging and Tourism Association and eleven individuals. Your Committee received written comments on this measure from the Hawaii Association of Realtors, Hawaii Association of Vacation Rental Managers, and one individual.

Your Committee finds that Act 326, Session Laws of Hawaii 2012, promotes compliance with registration requirements by, among other things, requiring that operators of transient accommodations include government-issued registration identification numbers in all internet advertisements and solicitations. Your Committee further finds that providing the Department of Taxation with the authority to enforce civil penalties against operators and plan managers who fail to conspicuously display the required certificate of registration or notice is a suitable method of enforcing compliance with registration requirements.

Your Committee has amended this measure by:

- (1) Amending Act 326, Session Laws of Hawaii 2012, to extend its repeal date by five years, rather than making it permanent;
- (2) Requiring the Department of Taxation to submit an annual report to the Legislature regarding the implementation of Act 326, Session Laws of Hawaii 2012, and recommendations to improve the enforcement of that Act; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 519, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 519, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 786 Ways and Means on S.B. No. 1367

The purpose and intent of this measure is to appropriate moneys for Project Kealahou to ensure that the array of community-based, outpatient services and supports offered by this program are continued and expanded to meet the needs of at-risk youth, particularly adolescent females, and their families.

Your Committee received written comments in support of this measure from the Judiciary. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that Project Kealahou was developed after recognizing that adolescent girls face challenges inadequately addressed by established treatment programs. Project Kealahou promotes community-based, individualized, culturally- and linguistically-competent, family-driven, youth-guided, and evidence-based services to at-risk female youth and their families. Your Committee notes that federal funding for Project Kealahou will phase out in October 2015, and that state funding of an estimated \$900,000 is needed to continue and expand this cost-effective array of services.

Your Committee also finds that an annual report is necessary to allow the Legislature to assess and determine pertinent information on Project Kealahou. Accordingly, your Committee has amended this measure by:

- (1) Requiring an annual report to the Legislature on Project Kealahou, including information on outcomes, funding sustainability, and plans and recommendations to secure financial support for Project Kealahou going forward; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1367, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1367, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 787 Ways and Means on S.B. No. 1305

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid to the County of Kauai Office of the Prosecuting Attorney for the Career Criminal Prosecution Unit and the Victim Witness Assistance Program.

Your Committee received written comments in support of this measure from the County of Kauai Office of the Prosecuting Attorney, Hawaii County Office of the Prosecuting Attorney, Maui Department of the Prosecuting Attorney, Department of the Prosecuting Attorney of the City and County of Honolulu, and the Crime Victim Compensation Commission. Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that the Career Criminal Prosecution Unit handles the most serious career criminals and that the Victim Witness Assistance Program provides direct support services to the victims and witnesses of crimes committed in Hawaii. Your Committee also finds that funding for these services has been reduced significantly in prior years. Your Committee believes that increased funding is necessary to maximize the effectiveness of both of these important programs.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1305, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1305, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Galuteria).

SCRep. 788 Ways and Means on S.B. No. 1346

The purpose and intent of this measure is to align the Department of Education's probationary requirements for incoming teachers. Specifically, this measure amends the probationary period required of licensed charter school teachers, who are not tenured in the Department of Education, upon entering or returning to the Department.

Your Committee received written comments in support of this measure from the Department of Education. Your Committee received written comments on this measure from the State Public Charter School Commission.

Your Committee finds that the current probationary period for Department of Education teachers is a minimum of three years. However, licensed charter school teachers who are entering or returning to the Department of Education, but who are not tenured within the Department, may earn tenure after only a one-year probationary period. Your Committee believes that this inconsistency in employment probation policy serves no justifiable public purpose. Your Committee further finds that equalizing the probationary period for teachers will result in consistent policy, resolve existing inequality among teachers, and provide sufficient time for observation and support before awarding tenure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1346 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 789 Ways and Means on S.B. No. 1345

The purpose and intent of this measure is to transition public schools away from the multi-track schedule and prioritize overpopulated schools for capital improvement projects so that school facilities are appropriately developed to serve the student population.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that transitioning public schools away from the multi-track schedule is in the best interest of students, their families, teachers, and schools. The multi-track schedule was devised to accommodate a larger number of students by ensuring that one track of students would always be on break so that school facilities could be utilized year-round. However, the multi-track schedule resulted in fewer instructional days with longer hours to compensate for the loss of days.

Your Committee further finds that use of the multi-track school schedule was driven by economic expediency rather than educational benefits for students. The multi-track schedule was simply a strategy for accommodating a larger number of students at less expense. Transitioning back to a traditional school schedule will likely require significant structural changes and investments in capital improvements to accommodate more students being in school at the same time. Your Committee believes that by requiring the Department of Education to prioritize the capital improvement project needs of overpopulated schools, the transition to traditional school year scheduling will be implemented more efficiently.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1345 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 790 Ways and Means on S.B. No. 1310

The purpose and intent of this measure is to encourage the protection of water resources by authorizing each county to establish and charge user fees to create and maintain any stormwater management system or infrastructure.

Your Committee received written comments in support of this measure from The Nature Conservancy, the Hawaii Community Foundation, and two individuals. Your Committee received written comments in opposition to this measure from one individual. The Department of Land and Natural Resources, the Hawaii Farm Bureau, the Tax Foundation of Hawaii, and one individual provided comments on the measure.

Your Committee finds that changes in land use from forested areas to urban development and other human uses increase the amount of rain that becomes storm run-off instead of replenishing the State's aquifers. Your Committee believes that investing in stormwater management systems and infrastructure will result in the retention of rainfall for potable water before it becomes stormwater run-off, which in turn will reduce pollution in streams, wetlands, and near-shore ocean areas.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1310, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Dela Cruz).

SCRep. 791 Ways and Means on S.B. No. 304

The purpose and intent of this measure is to establish the Hawaii Maternal Morbidity and Mortality Review Panel within the Department of Health for administrative purposes to conduct comprehensive, multidisciplinary reviews of maternal deaths in the State to identify factors associated with the deaths and make recommendations for health care system changes.

Your Committee received written comments in support of this measure from the American Congress of Obstetricians and Gynecologists and five individuals. Written comments in opposition to this measure were received from one individual. Written comments on this measure were received from the Department of Health.

Your Committee finds that the establishment of a maternal morbidity and mortality review panel with an appropriation to support its work would provide important data and information that would improve health care for women in the State. However, your Committee notes that the Department of Health believes that the additional duties placed upon the department under this measure will exceed the funding of \$10,000 per year as provided under the measure. Accordingly, your Committee requests that the Department of Health consider and provide to subsequent Standing Committees that deliberate upon this measure a more accurate estimate of the costs necessary to cover the panel and additional responsibilities imposed upon the Department.

Your Committee has amended this measure by:

- (1) Changing the appropriation figure to an unspecified amount; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 304, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 304, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 792 Ways and Means on S.B. No. 303

The purpose and intent of this measure is to develop initiatives to reduce incidences of prescription drug abuse in the State through educational efforts.

Specifically, this measure establishes:

- (1) The narcotics enforcement and prescription drug monitoring advisory committee within the Department of Health to advise and assist the Department of Public Safety Narcotics Enforcement Division with regard to, among other things, statewide statistics regarding drug prescriptions and community standards of care and specialty standards of care; and
- (2) The Hawaii drug take-back and education initiative within the Department of Public Safety to, among other things, organize and incentivize the safe return and disposal of drugs and integrate recommendations from the narcotics enforcement and prescription drug monitoring advisory committee.

Your Committee received written comments in support of this measure from the Department of Public Safety, Walgreens, the Hawaii Substance Abuse Coalition, and two individuals.

Your Committee finds that the educational programs established in this measure will help address issues of patient misuse or abuse of prescription drugs, and safe prescribing protocols for prescription drugs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 303, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 793 Ways and Means on S.B. No. 301

The purpose and intent of this measure is to require health insurers and similar entities to post and regularly update the formularies of their medical plans on their websites using a standard formulary template.

Your Committee received written comments in support of this measure from the American Cancer Society Cancer Action Network. Written comments on the measure were received from the Department of Commerce and Consumer Affairs.

Your Committee finds that under this measure, patients in need of specific medications will be more readily able to identify which plan covers those drugs and how much it will cost them each month.

Your Committee has amended this measure by:

- (1) Correcting internal cross-references;
- (2) Replacing references to “insurers” with “mutual benefit society” in the provisions relating to mutual benefit societies; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 301, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 301, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 794 (Majority) Ways and Means on S.B. No. 980

The purpose and intent of this measure is to provide a standardized framework and funding for afterschool programs in public middle and intermediate schools.

More specifically, the measure:

- (1) Establishes the resources for the enrichment, athletics, culture, and health (R.E.A.C.H.) program within the Office of Youth Services; and
- (2) Establishes a revolving fund to receive fees and other moneys to supplement the operating and administrative costs of the program.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor, Office of Youth Services, Office of Hawaiian Affairs, Hawaii Youth Services Network, and REACH Out Hawaii. Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that over fifty-four thousand children in this State are left unsupervised after school until their parents return home from work each day. Leaving children unsupervised during their middle and intermediate school years may lead to risky behavior and juvenile violence. Your Committee believes that afterschool programs represent an upfront investment in Hawaii's youth. Participating in high-quality afterschool programs may not only curb the potential for juvenile violence, but may also lead to improved attendance and better academic performance. Your Committee finds that the R.E.A.C.H. program is a state-subsidized afterschool program for middle and intermediate public school students that requires reliable funding to continue providing uninterrupted services to Hawaii's youth. Your Committee further finds that the objectives of the Office of Youth Services, within the Department of Human Services, are wholly aligned with those of the R.E.A.C.H. program, and that placing the program within the Office of Youth Services would be appropriate.

Your Committee also finds that the R.E.A.C.H. program revolving fund would more effectively operate as a special fund. Your Committee further finds that annual reports on the R.E.A.C.H. program would assist the Legislature in making annual legislative appropriations and enhance the accountability of the program. Accordingly, your Committee has amended this measure by:

- (1) Establishing the R.E.A.C.H. program fund as a special fund, rather than a revolving fund; and
- (2) Requiring that the R.E.A.C.H. program provide an annual report to the Legislature on the implementation of programs, use of funds, and efforts to obtain non-state funding to achieve financial stability.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 980, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 980, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Chun Oakland).

SCRep. 795 Ways and Means on S.B. No. 979

The purpose and intent of this measure is to require the Office of Youth Services to implement a safe places for youth pilot program to provide youth in crisis with a safety network and access to advice, guidance, programs, and services.

Additionally, this measure appropriates funds to fill a program coordinator position for the program and provide housing opportunities for program participants.

Your Committee received written comments in support of this measure from the Office of Youth Services; Hawaii Youth Services Network; Hawaii Primary Care Association; Planned Parenthood of Hawaii; Protecting Hawaii's Ohana, Children, Under-Served, Elderly and Disabled (PHOCUSED); Family Programs Hawaii; Olomea Inc.; Rainbow Family 808; and three individuals. Written comments in opposition to this measure were received from Hawaii Family Advocates and two individuals.

Your Committee finds that prevention is a critical component in the juvenile justice continuum of services, and the pilot project established under this measure will serve that purpose, by providing youth access to help, advice, and guidance before their problems escalate into possible delinquent behaviors.

Your Committee has amended this measure by:

- (1) Requiring the Office of Youth Services to submit annual reports to the Legislature on the pilot program;
- (2) Specifying that the program coordinator position is exempt from the State's civil service laws;
- (3) Changing the appropriation amount to an unspecified sum; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 979, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 979, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 796 Ways and Means on S.B. No. 975

The purpose and intent of this measure is to give housing projects that receive federal low-income housing tax credits second priority among rental housing projects that are eligible to receive loans or grants from the rental housing trust fund administered by the Hawaii Housing Finance and Development Corporation.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation and the Land Use Research Foundation of Hawaii.

Your Committee finds that this measure will provide additional incentives for the development of rental projects serving lower income households.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 975 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 797 Ways and Means on S.B. No. 974

The purpose and intent of this measure is to encourage the development of mixed-use residential developments.

Specifically, this measure:

- (1) Authorizes the rental housing trust fund to be used for spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units;
- (2) Establishes a separate mixed-use residential development subaccount within the rental housing trust fund; and
- (3) Appropriates an unspecified amount to be deposited into the mixed-use residential development subaccount.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, The Chamber of Commerce Hawaii, the Land Use Research Foundation of Hawaii, and one individual.

Your Committee finds that, particularly in dense urban settings, there is a need to create more pedestrian-friendly environments where residents are less dependent on cars. Your Committee believes that by allowing the rental housing trust fund to be used for spaces for public uses within mixed-use residential developments, this measure will facilitate the development of vibrant and walkable communities.

Your Committee has amended this measure by:

- (1) Deleting section 3, which appropriated an unspecified amount to be deposited into the mixed-use residential development subaccount;
- (2) Moving the new definition of “spaces for public uses” that was proposed to be added to section 201H-202(i), Hawaii Revised Statutes, to the definition section of the Rental Housing Trust Fund subpart (section 201H-201, Hawaii Revised Statutes); and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 974, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 974, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 798 Ways and Means on S.B. No. 964

The purpose and intent of this measure is to appropriate moneys to support the elderly population in this State.

More specifically, this measure:

- (1) Appropriates moneys for the Kupuna Care Program and the Aging and Disability Resource Center;
- (2) Deletes the requirement that the Alzheimer’s disease and related dementia services coordinator be appointed by the Director of the Executive Office on Aging in accordance with chapters 76 and 89, Hawaii Revised Statutes, and appropriates moneys for the position;
- (3) Appropriates moneys for fall prevention and early detection services for the elderly;
- (4) Appropriates moneys for grants under chapter 42F, Hawaii Revised Statutes, to designated senior centers;
- (5) Appropriates moneys for supporting the healthy aging partnership program; and
- (6) Appropriates moneys for the Alzheimer’s disease and related dementia public awareness campaign.

Your Committee received written comments in support of this measure from the Department of Health, Executive Office on Aging; Maui County Office on Aging; State Council on Developmental Disabilities; Alzheimer’s Association, Aloha Chapter; American Association of Retired Persons; Hawaii Alliance for Retired Americans, An Affiliate of the Alliance for Retired Americans; Catholic Charities Hawaii; Hawaii Government Employees Association; Hawaii Primary Care Association; Healthcare Association of Hawaii; ILWU Local 142; Kaiser Permanente; Protecting Hawaii’s Ohana, Children, Under Served, Elderly and Disabled (PHOCUSED);

Policy Board for Elder Affairs; Queen's Health Systems; Zonta Club of Hilo; and forty-nine individuals. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that it is essential that the State protect the health and well-being of the State's elderly. According to census projections, Hawaii's senior population will almost double between 2010 and 2020. Programs and services such as the Kupuna Care Program, the State's Aging and Disability Resource Center, Alzheimer's disease and related dementia services, fall prevention and early detection services, and the healthy aging partnership program are important parts of the State's efforts to address the immediate and future needs of the elderly.

Your Committee notes that the base budget of the Executive Office on Aging of the Department of Health includes funding for both the Kupuna Care Program and the Aging and Disability Resource Center, and believes those programs may be more appropriately funded through the budget. Your Committee also notes that funding for grants under chapter 42F, Hawaii Revised Statutes, will be evaluated and awarded separately, and thus it is appropriate to delete the funding for senior centers in this measure.

Your Committee has amended this measure by:

- (1) Changing all of the appropriation amounts to unspecified sums;
- (2) Deleting Part IV of the measure, which provided funding for grants to senior centers; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 964, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 964, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 799 Ways and Means on S.B. No. 925

The purpose and intent of this measure is to establish one permanent full-time equivalent fetal alcohol spectrum disorder coordinator position in the Family Health Services Division of the Department of Health.

Your Committee received written comments in support of this measure from the State Council on Development Disabilities, March of Dimes, Family Programs Hawaii, Olomea, Inc., and one individual. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that fetal alcohol spectrum disorder is the most underdiagnosed and preventable developmental disability in Hawaii. This disorder is the result of alcohol consumption by an individual's mother during pregnancy, and it causes a wide range of effects to the individual such as physical, mental, behavioral, and learning disabilities. Although the effects of prenatal alcohol exposure are lifelong, fetal alcohol spectrum disorder is completely preventable. Your Committee believes that a fetal alcohol spectrum disorder coordinator will prove to be an important resource in preventing fetal alcohol spectrum disorders throughout the State.

Your Committee notes that a fetal alcohol spectrum disorder coordinator position has previously been established within the Family Health Services Division of the Department of Health. Accordingly, your Committee has amended this measure by:

- (1) Deleting the establishment of the full-time coordinator position;
- (2) Changing the appropriation for a fetal alcohol spectrum disorder coordinator position to an unspecified sum; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 925, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 925, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 800 Ways and Means on S.B. No. 912

The purpose and intent of this measure is to determine the need for annual inflationary adjustments to the long-term care reimbursement methodology used to reimburse facilities for Medicaid recipients.

Your Committee received written comments in support of this measure from Hale Makua Health Services, Healthcare Association of Hawaii, The Queen's Health Systems, and Ohana Pacific Management Company. Your Committee received written comments on this measure from the Department of Human Services, Hawaii Health Systems Corporation, and one individual.

Your Committee finds that long-term care facilities in Hawaii face major financial challenges in providing quality health care because Medicaid reimbursements do not fully pay for the actual costs of care. Medicaid reimbursement rates for long-term care facilities have not been adjusted for inflation for many years due to the economic recession. As a result, there is now a significant difference between the actual cost of care and reimbursement rates. Your Committee believes that the first step in resolving this issue is collecting information on annual costs, reimbursements, and shortfalls that long-term care facilities experience.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 912, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 801 Ways and Means on S.B. No. 387

The purpose and intent of this measure is to require the University of Hawaii and the Board of Regents to jointly establish and enforce an affirmative consent standard for the evaluation and disposition of all reports relating to sexual assault, domestic violence, dating violence, and stalking.

Your Committee received written comments in support of this measure from the Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, Planned Parenthood of Hawaii, The Sex Abuse Treatment Center, and one individual. Your Committee received written comments on this measure from the University of Hawaii.

Your Committee finds that affirmative consent policies adopted at more than eight hundred colleges and universities across the nation have had a positive impact and helped produce changes in campus dialogue about healthy relationships and the need for consent by all parties to sexual activities.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 387, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 387, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 802 Ways and Means on S.B. No. 385

The purpose and intent of this measure is to continue to support the Department of Health breast and cervical cancer control program through an appropriation of moneys.

Your Committee received written comments in support of this measure from the American Cancer Society Cancer Action Network, Planned Parenthood of Hawaii, The Queen's Health Systems, and Susan G. Komen Hawaii. Written comments on this measure were submitted by the Department of Health.

Your Committee finds that since 1997, the breast and cervical cancer program has provided critical screening and early detection services to over nine thousand five hundred women in the State. Your Committee further finds that, while progress is being made, the lives of nearly two hundred women in Hawaii are taken by breast and cervical cancers each year. Your Committee also finds that federal funding for the program has declined over the last five-year grant period, but the need for outreach and screening has increased. Providing funds for the program will allow the program to continue to provide its screening, education, treatment, and outreach services.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount to an unspecified sum; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 385, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 385, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 803 Ways and Means on S.B. No. 376

The purpose and intent of this measure is to establish a Hawaii farm to school program within the Department of Agriculture and create two farm to school coordinator positions.

Your Committee received written comments in support of this measure from the University of Hawaii, Hawaii Farm Bureau, Hawaii Public Health Institute, Hawaii Farmers Union United, National Farm to School Network, Hawaii Island School Garden Network, Maui School Garden Network, Hawaii Farm to School and School Garden Hui, Kokua Hawaii Foundation, Hawaii Green Growth, Beyond Organic Consulting, Inc., One Island Sustainable Living, The Local Food Coalition, Ai Pohaku, Ilio Lani Farm, LLC, Waihuena Farm, and seventy-six individuals. The Department of Agriculture and the Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that farm to school programs promote the cultivating and purchasing of locally grown foods to be used in school cafeterias. Farm to school programs can improve students' physical activity, school meal participation, preference for fresh fruits and vegetables, academic performance, and behavior. Farm to school programs that implement on-campus school gardens can provide the students with experiential learning in science, business, agriculture, history, and other core academic subjects.

Your Committee notes that Hawaii's economy is dependent on our local farmers. Local farmers that participate in a farm to school program stand to benefit from a steady clientele of schools that purchase their agricultural products. A farm to school program will also encourage and invigorate the local agriculture industry and help Hawaii achieve its food sustainability and security goals.

Your Committee has amended this measure by:

- (1) Deleting the farm to school coordinator position in the Department of Education and the appropriation to fund the position;

- (2) Changing the amount appropriated for the farm to school coordinator position in the Department of Agriculture to an unspecified amount; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 376, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 376, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 804 Ways and Means on S.B. No. 364

The purpose and intent of this measure is to establish requirements and procedures for the recounting of ballots in an election.

The measure also provides that contests for cause challenging an election result shall be limited to provable fraud, unlawful activity, and force majeure.

Your Committee received written comments on this measure from the Office of Elections.

Your Committee finds that existing state law authorizes persons to challenge an election result for cause, including but not limited to provable fraud, overages, or underages, by filing a complaint in the State Supreme Court. Your Committee further finds that this measure provides expanded recourse to challenge the results of a close election by allowing candidates to petition the appropriate elections officer for a recount, if the number of votes cast separating the petitioning candidate and the successful candidate is less than one thousand votes or one-half of one per cent of all votes cast for the office, whichever is less.

Your Committee has amended this measure by defining the term “all votes cast” as all votes cast for candidates for the office and counted pursuant to section 11-151, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 364, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 364, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 805 (Majority) Ways and Means on S.B. No. 359

The purpose and intent of this measure is to ensure that adequate funding is provided for environmental response, energy security, and agricultural development and food security programs of the State.

Specifically, the measure strengthens the State’s self-sustainability by:

- (1) Increasing the allocations from the state environmental response, energy, and food security tax to the environmental response revolving fund, the energy security special fund, and the agricultural development and food security special fund;
- (2) Making permanent the agricultural development and food security special fund and repealing the June 30, 2030, lapse date of unexpended or unencumbered moneys in the fund; and
- (3) Making permanent the amendments made under Act 73, Session Laws of Hawaii 2010, to the environmental response revolving fund; the energy security special fund; and the environmental response, energy, and food security tax.

Your Committee received written comments in support of this measure from the Department of Health, the Department of Agriculture, the Agribusiness Development Corporation, the Honolulu Board of Water Supply, the Hawaii Energy Policy Forum, the Hawaii Farm Bureau, Hawai’i Green Growth, The Nature Conservancy, Ulupono Initiative, and one individual. Your Committee received written comments on this measure from the Department of Budget and Finance, the University of Hawaii, and the Tax Foundation of Hawaii.

Your Committee finds that there has been a growing public sentiment that the State is precariously dependent upon imported food and fuel. In response, the Legislature enacted Act 73, Session Laws of Hawaii 2010, in which the agricultural development and food security special fund was created to reduce the importation of food, fodder, or feed from outside the State. Your Committee believes that the environmental response, energy, and food security tax is a vital revenue source that can provide the resources necessary to realize the State’s goal of greater food security and self-sustainability.

Your Committee notes that this measure, as received, would have resulted in a loss of \$12,500,000 in general revenues. Your Committee will be very mindful of this negative impact on the general fund as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Changing to unspecified amounts the portions of the state environmental response, energy, and food security tax that are to be deposited into the environmental response revolving fund, the energy security special fund, and the agricultural development and food security special fund; and
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 359, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 359, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 806 Ways and Means on S.B. No. 349

The purpose and intent of this measure is to promote greater energy security for Hawaii.

More specifically, this measure:

- (1) Establishes a renewable fuels production tax credit; and
- (2) Repeals the ethanol facility tax credit.

Your Committee received written comments in support of this measure from the Blue Planet Foundation, Hawaii Energy Policy Forum, Hawaii Renewable Energy Alliance, Pacific Biodiesel Technologies, and one individual.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that Hawaii is one of the most isolated land masses on Earth and imports nearly ninety per cent of its energy needs. As a result, Hawaii is extremely vulnerable to soaring prices or disruptions of its energy imports, which can hinder, cripple, or even devastate the State's economy and the well-being of its inhabitants. Your Committee believes that it is critical for Hawaii to become more energy self-sufficient and that establishing a renewable fuels production tax credit has the potential to significantly increase renewable energy growth in Hawaii.

However, your Committee notes that concerns have been raised that the measure may establish a geographic limitation on interstate commerce. As such, your Committee requests that the Attorney General review the measure to determine if it raises concerns under the Commerce Clause of the United States Constitution.

Your Committee has amended this measure by:

- (1) Clarifying the definition of the term "qualifying renewable fuels";
- (2) Deleting the definition of "renewable fuels," since its meaning is included within the scope of the definition of "qualifying renewable fuels," and making conforming amendments to the term throughout the measure; and
- (3) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 349, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 349, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 807 Ways and Means on S.B. No. 337

The purpose and intent of this measure is to improve detection of critical, life-threatening congenital heart defects in newborns.

Specifically, this measure:

- (1) Requires birthing facilities to perform on each newborn a pulse oximetry test for critical congenital heart defects or other medically accepted test that measures the percentage of blood oxygen saturation;
- (2) Allows parents and guardians to opt out of the pulse oximetry or other test on religious grounds; and
- (3) Requires birthing facilities to submit annual data to the Department of Health regarding the performance of pulse oximetry or other tests.

Your Committee received written comments in support of this measure from the Department of Health, Kapiolani Medical Center for Women and Children, and March of Dimes Hawaii Chapter.

Your Committee finds that congenital heart defects are structural abnormalities of the heart that are present at birth and are the leading killer of infants with birth defects. Your Committee believes that by requiring birthing facilities to perform pulse oximetry tests for critical congenital heart defects or other medically accepted tests that measure the percentage of blood oxygen saturation, this measure could potentially save many newborn lives.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 337, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 808 Ways and Means on S.B. No. 314

The purpose and intent of this measure is to appropriate moneys for critical staff positions in the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service.

Your Committee received written comments in support of this measure from the Department of Agriculture, University of Hawaii, a Kauai County Council member, Hawaii Cattlemen's Council, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Maui County Farm Bureau, and six individuals.

Your Committee finds that the College's Cooperative Extension Service partners with federal, state, and county governments to provide science-based information and education programs in agriculture, natural resources, and human resources.

Extension personnel provide important services to communities within each county, including individual consultations, educational workshops, and short courses on relevant subjects such as agriculture, home economics, family living, 4-H and other youth activities, nutrition, and health. Such educational programs can help to improve and strengthen Hawaii's sustainability in agriculture.

Your Committee further finds that the College of Tropical Agriculture and Human Resources Cooperative Extension Service has experienced a sharp decrease in the number of extension agents who service the various counties, including a twenty-seven percent decrease since 2008. To maintain a viable academic program and strong infrastructure for the University System, the College requires an infusion of personnel and support.

Your Committee has amended this measure to facilitate further discussion by:

- (1) Changing the appropriation from \$700,000 to an unspecified amount; and
- (2) Changing the specific number of positions to be funded in each of eight categories from one to unspecified numbers.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 314, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 314, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Riviere).

SCRep. 809 (Majority) Ways and Means on S.B. No. 307

The purpose and intent of this measure is to require suppliers of durable medical equipment, prosthetics, orthotics, and related supplies to be licensed by the Office of Health Care Assurance.

Your Committee received written comments in support of this measure from the Aloha Nursing Rehab Centre, Hawaii Health Systems Corporation, Hawaii Primary Care Association, The Queen's Health Systems, Castle Home Care, and Healthcare Association of Hawaii. Written comments in opposition to this measure were received from Hawaii Association of Health Plans, The Hawaii Medical Service Association, and three individuals.

Your Committee finds that establishing a licensure program for durable medical equipment suppliers and requiring licensees to have a physical in-state presence will help to ensure that Medicare beneficiaries in Hawaii have timely access to the durable medical equipment devices that they need to maintain their quality of life.

Your Committee has amended this measure by adding a provision exempting it from a sunrise analysis by the Auditor. Your Committee finds that expedited initiation of the licensure program is necessary because, under the Medicare durable medical equipment competitive bidding program, the vast majority of durable medical equipment suppliers for Hawaii is located outside of the State and thus unable to deliver the equipment in a timely manner. This has caused restricted access to care, including increases in preventable admissions and readmissions, increases in costs to beneficiaries, and a reduced quality of life for Medicare patients.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 307, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 307, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 810 Ways and Means on S.B. No. 1127

The purpose and intent of this measure is to provide the Board of Land and Natural Resources (Board) with additional powers to enforce final orders.

Specifically, this measure:

- (1) Authorizes the Board to suspend, revoke, or deny a license or permit issued under the authority of the Board or department for a person that fails to comply with a final order of the Board;
- (2) Requires the Board to direct county motor vehicle authorities to deny the motor vehicle registration of any vehicle owner who fails to pay a fine pursuant to a final decision and order by the Board; and
- (3) Requires the counties to deny a motor vehicle registration pursuant to notification from the Board.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, The Nature Conservancy, and two individuals.

Your Committee finds that the denial of an application for, or suspension or revocation of, a license or permit is a justifiable action that may be taken by the Board to compel compliance with enforcement actions for violations of natural and cultural resource laws.

Your Committee has amended this measure by correcting an error in the quoted statutory text.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1127, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1127, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 811 Ways and Means on S.B. No. 1126

The purpose and intent of this measure is to protect Hawaii's forests by improving the forest stewardship program.

Specifically, this measure:

- (1) Bifurcates the existing fifty percent reimbursement rate to a landowner for developing and implementing an approved forest stewardship management plan to provide:
 - (A) A seventy-five percent reimbursement rate for developing; and
 - (B) A fifty percent reimbursement rate for implementing,
 an approved forest stewardship management plan;
- (2) Clarifies that a program applicant must enter into an implementation agreement with the Board of Land and Natural Resources upon approval of a forest stewardship management plan in order to receive program funding;
- (3) Clarifies that participation in the program is available to owners of land that is privately managed; and
- (4) Adds a definition of "program implementation agreement" for clarity.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, The Nature Conservancy, and one individual.

Your Committee finds that more than one-half of the State's forested areas are privately managed, and the forest stewardship program provides technical and financial assistance to private landowners and long-term leaseholders of privately managed forests. The program encourages participants to make long-term commitments to protect, maintain, and restore important watersheds, timber resources, fish and wildlife habitats, isolated populations of rare and endangered plants, native vegetation, and other lands that provide significant public benefits.

Your Committee also finds that by providing access to natural resource experts, the program stimulates investment in forestry as an economically viable land-use that provides employment opportunities while preserving fresh water sources and habitats for native wildlife, reducing soil erosion and sedimentation onto coral reefs, and creating smart and sustainable communities.

Your Committee further finds that increasing the reimbursement rate for the cost of developing forest management plans will incentivize private landowners to participate in the program and will ultimately improve the management of the State's forest lands.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1126, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1126, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 812 Ways and Means on S.B. No. 1118

The purpose and intent of this measure is to preserve public health by making an emergency appropriation to the environmental response revolving fund.

Specifically, this measure appropriates \$1,050,000 in general fund revenues for deposit into the environmental response revolving fund for the purpose of hazard evaluation and emergency response preparedness for the remainder of fiscal year 2014-2015.

Your Committee received written comments in support of this measure from the Department of Health.

Your Committee finds that declining consumption of petroleum products in the State has led to a reduction in revenues to the environmental response revolving fund, which receives \$0.05 of the \$1.05 barrel tax, and is the primary source of funding for environmental hazard evaluation and emergency response preparedness. Your Committee also finds that an emergency appropriation is necessary to allow the Department of Health to continue to provide necessary environmental services for the remainder of the 2014-2015 fiscal year.

Your Committee notes that, should S.B. No. 359 or another measure increase the barrel tax distribution to the environmental response revolving fund, pursuant to amendments made to section 243-3.5, Hawaii Revised Statutes, your Committee will be working with the appropriate Standing Committees of the House of Representatives and your Committee on Conference to retrieve a portion of the funds deposited into the environmental response revolving fund by this emergency appropriation.

Your Committee has amended this measure by reducing both the appropriation from the general fund to the environmental response revolving fund and the appropriation out of the environmental response revolving fund to the amount of \$800,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1118, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1118, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 813 Ways and Means on S.B. No. 1042

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist SunStrong LLC, a renewable energy developer, in the provision of electrical energy and installation of renewable energy projects in the State.

Your Committee received written comments in support of this measure from one individual. Your Committee received written comments on this measure from the Department of the Attorney General and Department of Budget and Finance.

Your Committee finds that harnessing the power of sunshine to provide renewable energy furthers the State's clean energy goals. There is an increasing focus on developing new sources of renewable energy to protect the environment from emissions associated with the burning of fossil fuels, and to increase the State's energy security in the face of unstable global fossil fuel prices.

Your Committee further finds that SunStrong LLC has considerable experience in installing renewable energy projects, and that the implementation of this measure is in the public interest. However, the Department of the Attorney General and the Legislative Reference Bureau each questioned whether it would be appropriate to provide financial assistance to SunStrong LLC under part VI, chapter 39A, Hawaii Revised Statutes, which provides for assistance to utilities serving the general public, since it is unclear whether SunStrong LLC meets that part's definition of a "project party" as "an electric or gas utility serving the general public and that is regulated by the public utilities commission. . . ." Although SunStrong LLC did not submit written comments, your Committee has reviewed available information and finds that it is more appropriate to provide financial assistance to SunStrong LLC under part V, chapter 39A, Hawaii Revised Statutes, which provides for assistance to industrial enterprises.

Your Committee has amended this measure by changing the statutory authority under which the financing assistance will be provided from part VI, chapter 39A, Hawaii Revised Statutes (utilities serving the general public), to part V, chapter 39A, Hawaii Revised Statutes (industrial enterprises).

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1042, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1042, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Ruderman).

SCRep. 814 Ways and Means on S.B. No. 1060

The purpose and intent of this measure is to assist the livestock industry by establishing a low-interest agricultural loan program to help in the installation of biosecurity measures.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Land Use Research Foundation of Hawaii.

Your Committee finds that the livestock industry is both economically and culturally significant to Hawaii. Your Committee also finds that livestock operations are susceptible to the introduction of pests and diseases that can affect the health and welfare of the animals and, in some cases, may affect the health and well-being of people who come in contact with the animals or farm products. Your Committee further finds that biosecurity measures protect the health of poultry and livestock, by reducing the introduction of diseases, pests, and pathogens into farm operations, and are increasingly being required by federal programs to ensure a safe food supply.

Your Committee has amended this measure by:

- (1) Amending the quoted text of section 155-9, Hawaii Revised Statutes, to accurately reflect the contents of that section; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1060, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1060, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 815 Ways and Means on S.B. No. 1006

The purpose and intent of this measure is to appropriate moneys for the purchase and operational costs of one ambulance unit to service the Kakaako area of Oahu.

The Department of Health submitted written comments on this measure.

Your Committee finds that the Kakaako area on Oahu has recently experienced a dramatic increase in population as the area has been revitalized with businesses and residential units. Accordingly, the amount of calls requesting emergency services in that area has also increased. The Honolulu City and County Emergency Medical Services currently operates only twenty ground ambulances on Oahu. Your Committee finds that more emergency support is needed in the area to respond to the increased emergency calls.

Your Committee notes that, should subsequent Standing Committees decide to hear this measure, the City and County of Honolulu has requested \$4,500,000 to be appropriated for fiscal year 2015-2016, and \$4,700,000 for fiscal year 2016-2017 for the purposes of this measure.

Your Committee also requests that subsequent Standing Committees consider using the emergency services special fund as an alternative means of financing for this appropriation, as this measure moves forward, if sufficient moneys are available in that special fund.

Your Committee has amended this measure by making the effective date July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1006, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1006, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 816 Ways and Means on S.B. No. 1003

The purpose and intent of this measure is to promote economic gains and job creation. Specifically, this measure:

- (1) Allows the Hawaii small business innovation research program to award matching grants to those who have received federal small business innovation research phase II and phase III awards; and
- (2) Repeals the requirement that the High Technology Development Corporation adopt rules relating to certain parts of the Hawaii small business innovation research program.

Your Committee received written comments in support of this measure from Oceanit Laboratories, Inc., The Chamber of Commerce of Hawaii, Hawaii Aquaculture and Aquaponics Association, Hawaii Cattlemen's Council, Hawaii Fish Company, Inc., and three individuals. Your Committee received comments on this measure from the High Technology Development Corporation.

Your Committee finds that the federal small business innovation research program is a competitive program that helps small businesses grow and succeed by awarding moneys for research and development. Hawaii small businesses face many disadvantages in the competition for research and development funds. Allowing businesses that receive a Phase II or III federal award to qualify for state grants will enable Hawaii small businesses to leverage funds that are essential to achieving the development and commercialization of their intellectual property.

Your Committee also finds that since 1989, only recipients of the federal program's phase I awards may receive matching funds from the Hawaii program. Additionally, for every one dollar the Hawaii program has invested through this program, Hawaii companies have twenty federal dollars into the State. Your Committee believes that by increasing the amount of federal awardees that can receive matching state funds, the state economy will see an increase in federal moneys brought to the State.

Your Committee further finds that the High Technology Development Corporation should retain its rulemaking authority to ensure the effective administration of the matching grant program.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the repeal of the High Technology Development Corporation's rulemaking authority under section 206M-15(c), Hawaii Revised Statutes; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1003, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1003, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 817 Ways and Means on S.B. No. 1111

The purpose and intent of this measure is to provide the Department of Health with greater flexibility in administering the drinking water treatment revolving loan fund and the water pollution control revolving fund.

Specifically, this measure:

- (1) Authorizes the Department of Health to transfer up to thirty-three percent of capitalization grant moneys between the drinking water treatment revolving loan fund and the water pollution control revolving fund;
- (2) Requires the transfer of moneys between the funds to be approved by the Attorney General; and
- (3) Requires the Director of Health to amend the operating agreements or other parts of the capitalization grant agreements for the funds to document the method used to transfer moneys.

Your Committee received written comments in support of this measure from the Department of Health, County of Hawaii Department of Environmental Management, Honolulu Board of Water Supply, and one concerned individual.

Your Committee finds that there is increasing demand for the replacement of aging drinking water and wastewater system infrastructure in the State, the delay of which could pose short- and long-term health hazards for consumers. Your Committee believes that allowing the Department of Health to transfer moneys between the drinking water treatment revolving loan fund and the water pollution control revolving fund will allow the Department to more efficiently direct moneys towards drinking water or wastewater infrastructure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1111, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 818 Ways and Means on S.B. No. 1101

The purpose and intent of this measure is to extend the expiration date of the state civil service exemption for persons hired or contracted by the Hawaii Public Housing Authority to repair and maintain vacant state housing units from June 30, 2015, to June 30, 2018.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that the state civil service exemption has benefitted the Hawaii Public Housing Authority by attracting qualified job applicants and expediting repair and maintenance work on vacant state housing units, thus enabling the Authority to more quickly rehabilitate the units and place them back in the rental pool. Consequently, your Committee believes that the repeal date for the exemption should be extended.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1101, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 819 Ways and Means on S.B. No. 1050

The purpose and intent of this measure is to require the Public Utilities Commission to establish a community-based renewable energy tariff or tariffs.

Your Committee received written comments in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Kauai Island Utility Cooperative; Blue Planet Foundation; Clean Energy Collective; the Democratic Party of Hawaii; Hawai'i Green Growth; Ulupono Initiative; and nine individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; the Public Utilities Commission; and Hawaiian Electric Company Inc.

Your Committee finds that a properly designed community-based renewable energy program has the potential to provide significant energy cost-savings to schools and community organizations and to the under-served market of renters and high-rise apartment owners, who have not been able to benefit from distributed renewable energy systems such as solar photovoltaic systems.

Nevertheless, your Committee takes note of the concern raised by the Department of Business, Economic Development, and Tourism that should be considered as this measure crosses over to the House of Representatives. Specifically, the department expressed concern over the characterization of a customer's participation with third parties as an "investment". Apparently, there are any number of contractual arrangements into which third parties may enter with customers. However, characterizing those arrangements in statute as investments could unintentionally create a risk that the program would have to be registered as a security and comply with the securities laws.

Your Committee has amended this measure by changing the effective date to July 1, 2053, in order to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1050, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1050, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Inouye). Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 820 Ways and Means on S.B. No. 1051

The purpose and intent of this measure is to encourage and facilitate wider use of fuel cell electric vehicles.

More specifically, this measure:

- (1) Amends the definition of "electric vehicle" to include fuel cell electric vehicles for purposes of parking exemptions, HOV lane use, registration, and designated parking spaces in places of public accommodation;
- (2) Grants procurement priority for fuel cell electric vehicles for state and county purchases; and
- (3) Amends the definition of "electric vehicle charging system" in section 291-71, Hawaii Revised Statutes, to exclude a facility or system for refueling the hydrogen storage tank of a fuel cell electric vehicle.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Energy Policy Forum; and one individual.

Your Committee finds that extending certain privileges relating to the operation and parking of fuel cell electric vehicles will encourage their use, thereby reducing fossil fuel consumption and emissions associated with vehicles powered by fossil fuels. Unlike vehicles powered by gasoline or other fossil fuels, fuel cell electric vehicles convert hydrogen and oxygen into electricity to charge an onboard battery and power the vehicle. Because they produce no dangerous emissions, fuel cell electric vehicles further the State's clean energy goals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1051, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 821 Ways and Means on S.B. No. 1036

The purpose and intent of this measure is to improve substance abuse treatment in the State.

Specifically, the measure:

- (1) Requires the Department of Health to establish a comprehensive and coordinated continuum of treatment services for substance abuse and co-occurring mental health disorders;
- (2) Establishes a task force to address health care and payment reform steps to implement an effective addiction treatment system as a component of health care; and
- (3) Appropriates \$336,000,000 for the Department of Health to provide substance abuse and addiction treatment.

Your Committee received written comments in support of this measure from the Hawaii Substance Abuse Coalition, Action with Aloha, and one individual. The Department of Health provided written comments on the measure.

Your Committee finds that while the costly cycle of substance abuse is currently a financial burden on the State's health care system, it is also a treatable disease worthy of more attention and resources. However, your Committee also finds that requiring the Department of Health to immediately establish a comprehensive and coordinated continuum of treatment services for persons with substance abuse problems and co-occurring mental health disorders without the benefit of the findings and recommendations of the substance abuse task force created in this measure would be premature. Your Committee believes that the task force's efforts will help the Department of Health plan and implement effective treatments and address payment issues for substance abuse disorders, which in turn may reduce costs to the State's health care and criminal justice systems.

Your Committee notes that according to the Department of Health, the estimated average expense to convene a task force is \$17,000.

Your Committee has amended this measure by:

- (1) Deleting section 2, which requires the Department of Health to establish a comprehensive and coordinated continuum of treatment services for substance abuse and co-occurring mental health disorders;
- (2) Deleting section 4, which appropriates \$336,000,000 for the Department of Health to provide substance abuse and addiction treatment;
- (3) Clarifying that the Director of Health or the Director's designee shall serve as Chairperson of the task force;
- (4) Clarifying the methods of selecting task force members from the Legislature and private organizations;
- (5) Clarifying that members of the task force shall serve without pay but be compensated for their expenses relating to their service, including travel expenses;
- (6) Inserting a new section to appropriate an unspecified amount for the Department of Health to convene the task force;
- (7) Making conforming amendments to the purpose section to reflect amendments made to the substantive provisions of the measure;
- (8) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (9) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1036, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1036, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 822 Ways and Means on S.B. No. 1047

The purpose and intent of this measure is to authorize the issuance of special purpose revenues bonds to assist Pelatron Q, LLC, develop waste-to-energy power plants in Hawaii.

Your Committee received written comments in support of this measure from ALQIMI Energy, the Hawaii Construction Alliance, Pelatron Q, LLC, and eight individuals. Your Committee received written comments in opposition to this measure from Zero Waste Kauai. The Department of Budget and Finance submitted written comments on this measure.

Your Committee finds that it is in the interest of the State to explore alternative energy solutions to help the State transition toward sustainability. Sustainability not only helps Hawaii's environment, but also helps the State's economy, as Hawaii's individuals and businesses spend a large amount of money on fossil fuels that must be shipped from outside the State. Your Committee also finds that Pelatron Q, LLC has a patented plasma gasification and vitrification process that converts waste to energy. By implementing this process in Hawaii, landfill waste can be lessened, the State's carbon footprint can be reduced, and permanent jobs can be added to the economy.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1047, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Ruderman).

SCRep. 823 Ways and Means on S.B. No. 833

The purpose and intent of this measure is to clarify the public charter school financial solvency and closure protocols.

Specifically, this measure:

- (1) Specifies that a public charter school's financial insolvency is deemed to be a voluntary surrender of the school's charter; and
- (2) Grants the authorizer the sole discretion to determine:
 - (A) Whether health and safety issues require school closure; and
 - (B) Whether to keep the school open to students and personnel for a set period of time.

Your Committee received written comments in support of this measure from the State Public Charter School Commission.

Your Committee finds that reforms to the current law are necessary because the current law does not adequately address the scenario in which a public charter school continues operations despite its financial insolvency.

Your Committee has amended this measure by:

- (1) Incorporating the contents of S.B. No. 832, which allows a public charter school student who has been notified of the prospect of charter revocation or nonrenewal, or of school closure, to enroll in a school outside of the student's service area; and
- (2) Removing the word "voluntarily" from the provision regarding surrender of a charter due to financial insolvency to clarify that surrender in this circumstance will be mandated by law, rather than by a voluntary act of the charter school.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 833, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 833, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 824 Ways and Means on S.B. No. 831

The purpose and intent of this measure is to align the requirements for start-up and conversion charter schools.

Specifically, this measure:

- (1) Includes conversion charter schools within the provisions of section 302D-13, Hawaii Revised Statutes, which relates to the establishment of start-up charter schools;
- (2) Repeals section 302D-14, Hawaii Revised Statutes, which contains the existing provisions on the establishment of conversion charter schools; and
- (3) Makes housekeeping amendments relating to public charter schools.

Your Committee received written comments in support of this measure from the State Public Charter School Commission and one individual.

Your Committee finds that public charter schools provide new approaches to education that accommodate the individual needs of students and create opportunities for communities to implement innovative models of community-based education. Your Committee believes that by aligning the requirements for start-up and conversion charter schools, as well as making other housekeeping amendments, this measure will improve and strengthen Hawaii's public charter school system.

Your Committee has amended this measure by:

- (1) Making a conforming amendment to section 302D-26(e), Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 831, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 831, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 825 Ways and Means on S.B. No. 822

The purpose and intent of this measure is to address student instructional hours in Hawaii's public schools.

More specifically, the measure:

- (1) Replaces the term "student instructional hours" with "student hours" and requires the Board of Education, in consultation with the exclusive representatives of the appropriate bargaining units, to define student hours;
- (2) Delays the implementation of the nine hundred ninety student hour school year in all public secondary schools, excluding charter schools and multi-track public schools, from the 2014-2016 school years to the 2015-2016 school year; and

- (3) Repeals the requirement that the Department of Education submit a plan to the Legislature to implement a school year of one hundred ninety days, including 1,140 student instructional hours.

Written comments in support of this measure were submitted by the HE'E Coalition and seven individuals. Written comments in opposition to this measure were submitted by the Hawaii State AFL-CIO and one individual. Written comments on this measure were submitted by two individuals.

Your Committee finds that public schools have struggled to meet the existing instructional hours requirement, as set forth in Act 167, Session Laws of Hawaii 2010, and that more flexibility is needed to comply with its provisions. Your Committee believes that authorizing the Board of Education, in consultation with the affected bargaining units, to define student hours will provide public schools with greater flexibility to determine a schedule that is most conducive to achieving student success and increasing access to those opportunities where students learn best.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 822, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Ruderman).

SCRep. 826 Ways and Means on S.B. No. 819

The purpose and intent of this measure is to bar the prohibition of student or class participation in a fundraiser or charitable activity in conjunction with a nonprofit organization as part of a school project when the activity benefits student learning.

Your Committee finds that partnering students with nonprofit community organizations fosters civic engagement and service learning and promotes character education. Your Committee further finds that requiring the Department of Education to adopt reasonable and objective criteria pursuant to chapter 91, Hawaii Revised Statutes, to prohibit the coercion of students or their parents, and to ensure that fundraising activities involving students actually benefit student learning, will help students connect with the greater community while engaging in hands-on learning experiences.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 819, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 827 Ways and Means on S.B. No. 812

The purpose and intent of this measure is to describe the behavior support review process and to provide behavior support review committee members with immunity from liability.

Your Committee received written comments in support of this measure from the Department of Health and the State Council on Developmental Disabilities.

Your Committee finds that the Department of Health seeks to ensure that behavior interventions are implemented appropriately in a manner to assist and support individuals receiving services and those providing support to them. Your Committee believes that the creation of a behavior support review committee is necessary to make recommendations and evaluate cases when restraints or seclusion methods are administered to individuals with intellectual or developmental disabilities who are a danger to themselves or to others. Your Committee further finds that members of a behavior support review committee should be immune from liability when participating in behavior support reviews.

Your Committee has amended this measure by:

- (1) Clarifying in the purpose section that a behavior support review committee is convened, rather than should be convened, to evaluate cases when an individual with intellectual or developmental disabilities is a danger to himself or others; and
- (2) Specifying that the behavior access review committee may access information from all providers of supports, not just residential supports.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 812, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 812, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 828 Ways and Means on S.B. No. 911

The purpose and intent of this measure is to prohibit the use of latex gloves in dental health facilities, health care facilities, and food establishments and by personnel providing ambulance services or emergency medical services.

Your Committee received written comments in support of this measure from the American Latex Allergy Association and twenty individuals. Written comments in opposition to this measure were received from the Hawaii Dental Association and one individual.

Your Committee finds that latex allergy is a serious concern because it causes reactions ranging from mild rashes to difficulty breathing to deadly anaphylaxis. The allergy progresses with each exposure, and there is currently no medically approved treatment except strict avoidance.

Your Committee has provided time for a transition period in this measure. Your Committee requests that, during this period, the Department of Health consider establishing a latex-free plan for the affected providers and facilities.

Your Committee has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 911, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 911, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 829 Ways and Means on S.B. No. 807

The purpose and intent of this measure is to decrease prescription drug abuse and misuse by further educating practitioners who prescribe narcotic drugs.

More specifically, this measure establishes:

- (1) A narcotics advisory committee to recommend acceptable continuing medical education program topics and curriculum to the Narcotics Enforcement Division of the Public Safety Department; and
- (2) Requirements for a mandatory continuing medical education program for practitioners who prescribe drugs.

Your Committee received written comments in support of this measure from the Department of Public Safety, Hawaii Substance Abuse Coalition, and one individual. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that education for practitioners is an essential component to reducing incidents of prescription drug abuse and misuse. Your Committee further finds that continuing education on the safe prescribing of narcotics should be required to maintain the certification necessary to prescribe controlled substances.

However, your Committee notes that the measure attempts to establish state specified conditions for renewal of a federal license issued by the Drug Enforcement Administration. Imposing continuing education requirements in this fashion may violate the supremacy clause in Article VI of the United States Constitution. Accordingly, your Committee has amended this measure by:

- (1) Clarifying that required state continuing education credits are necessary to maintain the state controlled substance registration certificate, rather than the federal Drug Enforcement Administration license;
- (2) Incorporating the credit requirements into the controlled substance registration certification process via the Department of Public Safety's registration renewal website, rather than the federal Drug Enforcement Administration's registration renewal website;
- (3) Changing the term of service for an advisory committee member from an unspecified number of years to four years; and
- (4) Specifying that advisory committee members shall serve without compensation but shall be reimbursed for expenses.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 807, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 807, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 830 Ways and Means on S.B. No. 806

The purpose and intent of this measure is to continue the hospital sustainability program for one year.

Specifically, this measure:

- (1) Extends the program's sunset date to June 30, 2016; and
- (2) Amends various provisions of the program by, among other things:
 - (A) Establishing reimbursement percentage rates for inpatient and outpatient uncompensated care costs;
 - (B) Providing that each eligible hospital's quarterly payment shall be equal to one-quarter of its prorated share of upper payment limit payments for the fiscal year in which payment is made;
 - (C) Revising, to an unspecified amount, the amount that the Department of Human Services makes in direct payments to private hospitals to cover uncompensated care costs incurred for serving Medicaid and uninsured individuals during the 2015-2016 fiscal year;
 - (D) Requiring the Department of Health to make direct payments to level two trauma centers designated by the American College of Surgeons and specialty children's hospitals that do not pay both the inpatient and outpatient assessments for fiscal year 2015-2016; and
 - (E) Appropriating funds from the hospital sustainability program special fund.

Your Committee received written comments in support of this measure from The Chamber of Commerce of Hawaii, Hawaii Health Systems Corporation, Hawaii Primary Care Association, Healthcare Association of Hawaii, and The Queen's Health Systems. Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that Medicaid payments to hospitals have not always covered the actual costs of care. The Legislature recognized and sought to remedy that situation by establishing the hospital sustainability program in Act 217, Session Laws of Hawaii 2012, to increase Medicaid payments to hospitals.

Your Committee further finds that the hospital sustainability program has increased Medicaid payments so that they more closely reflect the actual costs of care. Your Committee also finds that the program helps ensure that Medicaid patients in the State have access to the hospital care that they need and that it is necessary to extend the program.

Your Committee has amended this measure by clarifying the language that authorizes direct payments to level two trauma centers and specialty children's hospitals to state that the level two trauma centers must be verified by the American College of Surgeons and designated by the Department of Health in order to qualify to receive direct payments under the hospital sustainability program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 806, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 806, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 831 Ways and Means on S.B. No. 786

The purpose and intent of this measure is to appropriate moneys to the Aha Moku Advisory Committee for administration, operation, and community outreach so that it can fulfill its mission to advise the Board of Land and Natural Resources and the Department of Land and Natural Resources regarding the aha moku system on issues related to land and natural resources.

Your Committee received written comments in support of this measure from the Koolaupoko Hawaiian Civic Club, Association of Hawaiian Civic Clubs, Koolau Foundation, and eleven individuals. Your Committee received written comments in opposition to this measure from one individual. Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Aha Moku Advisory Committee was established as an attempt to remediate the deterioration of the Hawaiian culture, language, values, and land tenure system. Although the Aha Moku Advisory Committee was established in 2012, it has never been fully funded. Your Committee further finds that the Aha Moku Advisory Committee should be funded so that it may fulfill its mission to advise the Board of Land and Natural Resources and the Department of Land and Natural Resources regarding the aha moku system, including issues relating to Hawaiian reserve management and environmental preservation.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 786, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 786, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Slom).

SCRep. 832 Ways and Means on S.B. No. 785

The purpose and intent of this measure is to encourage and support the development of affordable housing by the Department of Hawaiian Home Lands (Department).

Specifically, this measure:

- (1) Makes permanent Act 141, Session Laws of Hawaii 2009, which requires the counties to issue affordable housing credits to the Department;
- (2) Makes permanent Act 98, Session Laws of Hawaii 2012, which requires the counties to issue affordable housing credits for each residential unit developed by the Department; and
- (3) Requires that twenty-five percent of revenues from any transfer of credits by the Department be used by the Department to develop rental units.

Your Committee received written comments in support of this measure from the Department of Hawaiian Home Lands and the Sovereign Councils of the Hawaiian Homelands Assembly. Your Committee received written comments in opposition to the measure from the Department of Planning and Permitting of the City and County of Honolulu and the Center for Hawaiian Sovereignty Studies.

Your Committee finds that affordable housing credits provide the Department of Hawaiian Home Lands greater opportunities to develop lands under its control. Your Committee believes that by permanently allowing the Department to use affordable housing credits, this measure will help the Department to provide homes to its beneficiaries and will increase the number of affordable housing units in the State.

Your Committee has amended this measure by:

- (1) Deleting language requiring that twenty-five percent of revenues from any transfer of credits by the Department of Hawaiian Home Lands be used by the Department to develop rental units; and
- (2) Requiring the issuance of affordable housing credits to the Department, the transfer of credits by the Department, and the county-wide application of credits to be in accordance with county ordinances, resolutions, rules, or memoranda of agreement.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 785, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 785, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 833 Ways and Means on S.B. No. 774

The purpose and intent of this measure is to protect public lands that were or are used for taro production.

Specifically, this measure:

- (1) Establishes lands that were in wetland taro cultivation prior to statehood or lands that retain historical structural evidence of wetland taro cultivation as the fourth class of intensive agricultural use lands;
- (2) Authorizes the Board of Land and Natural Resources, in conjunction with the Taro Security and Purity Task Force, to create an inventory of taro lands; and
- (3) Appropriates funds to the Board of Land and Natural Resources to create an inventory of classified taro lands.

Your Committee received written comments in support of this measure from the Aha Moku Advisory Council, Taro Security and Purity Task Force, and three individuals. Your Committee received written comments on this measure from the Department of Agriculture, Department of Land and Natural Resources, and Office of Hawaiian Affairs.

Your Committee finds that one-third of the six million pounds of taro consumed annually in Hawaii is already imported from other countries. Without action, this production shortfall will only grow because of the specific land characteristics required for taro production, the loss of valuable taro-growing land to private sector developers, and rising costs of land leases. Your Committee believes that providing wetland taro lands with the protections afforded to other intensive agricultural use lands will help local farmers meet Hawaii's demand for taro, address a growing interest in traditional Hawaiian taro cultivation, and promote food sustainability within the State.

Your Committee has amended this measure by:

- (1) Amending the definition of taro lands to require the lands to be public lands in the conservation district pursuant to chapter 205, Hawaii Revised Statutes; and
- (2) Clarifying the Hawaiian language terms;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 774, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 774, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 834 (Majority) Ways and Means on S.B. No. 768

The purpose and intent of this measure is to provide in vitro fertilization insurance coverage equality for all women who are diagnosed with infertility, by requiring non-discriminatory coverage and ensuring quality of care in the diagnosis and treatment of infertility.

Your Committee received written comments in support of this measure from the Hawaii Women Lawyers and two individuals. Your Committee received written comments in opposition to this measure from the Hawaii Catholic Conference. Your Committee received written comments on this measure from the Department of Human Services and Hawaii Medical Service Association.

Your Committee finds that in vitro fertilization has provided a solution for many diagnosed with infertility and who desire to have a child. Since 1987, Hawaii has required insurance coverage for infertility treatment through in vitro fertilization. However, the current law has many restrictions. For example, it only applies to the insured or the insured's spouse, requires fertilization with the sperm from the patient's spouse, requires a history of infertility for at least five years, and requires previous pregnancy attempts through other applicable infertility treatment for which coverage is provided. Your Committee believes this measure eliminates discrimination for in vitro fertilization insurance coverage and provides quality care for those seeking in vitro fertilization.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 768, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 835 Ways and Means on S.B. No. 710

The purpose and intent of this measure is to appropriate moneys to support the revision of the state integrated solid waste management plan, thus furthering the State's waste management goals and ensuring progress toward managing the State's waste.

Your Committee received written comments in support of this measure from Hawaii Green Growth, Ulupono Initiative, and one individual. Your Committee received written comments on this measure from the Department of Health and the Office of the Auditor.

Your Committee finds that the Office of Solid Waste Management is required to prepare revisions to the state integrated solid waste management plan following the approval and review of each revised county-specific plan, pursuant to section 342G-29, Hawaii Revised Statutes. Although each county has completed its plan for revisions, a lack of funding has delayed the state revision process. Your Committee further finds that an appropriation of moneys to the Department of Health will support the required revision of the state integrated solid waste management plan.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount to an unspecified sum; and
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 710, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 710, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 836 (Majority) Ways and Means on S.B. No. 703

The purpose and intent of this measure is to address the applicability of the solid waste management surcharge.

More specifically, this measure:

- (1) Defines “waste-to-energy facility”;
- (2) Creates a distinction between solid waste disposed of at landfills or transferred outside the State and solid waste disposed of at waste-to-energy facilities;
- (3) Clarifies that a solid waste management surcharge applies to solid waste transferred outside the State for disposal;
- (4) Exempts ash from the solid waste management surcharge if the ash was from a waste-to-energy facility and was later disposed of in a landfill; and
- (5) Establishes a solid waste management surcharge for solid waste disposed of at waste-to-energy facilities, unless the waste-to-energy facility accepts less than 150,000 tons of solid waste annually.

Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that the solid waste management surcharge is the primary funding mechanism for the Department of Health’s solid waste regulatory program. This program regulates waste treatment operations and solid waste management facilities including landfill, waste-to-energy, recycling, and composting.

Your Committee notes that the solid waste management surcharge was last increased in 1997 to thirty-five cents per ton. Your Committee also notes that Hawaii has the lowest surcharge that has been imposed by state regulatory programs, and at this surcharge amount, the solid waste regulatory program expects to be insolvent by fiscal year 2017. Your Committee finds that this measure is necessary to clarify the applicability of the surcharge and to preserve the fiscal stability of the solid waste regulatory program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 703, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 837 Ways and Means on S.B. No. 115

The purpose and intent of this measure is to promote the well-being of children by requiring a physical examination prior to attendance in seventh grade.

Specifically, this measure, beginning with the 2016-2017 school year:

- (1) Requires that each seventh grade student complete a physical examination by a physician or advanced practice registered nurse prior to the first day of school attendance; and
- (2) Provisionally authorizes students who have not completed a physical examination to attend school for three months while undergoing the process to complete a physical examination.

Your Committee received written comments in support of this measure from the Department of Education, Department of Health, University of Hawaii, The Hawaii Chapter of the American Academy of Pediatrics, The Hawaii Medical Service Association, The Hawaii Primary Care Association, The Hawaii Public Health Institute, Kaiser Permanente, and Waianae Coast Comprehensive Health Center. One individual submitted written comments in opposition to this measure.

Your Committee finds that this measure will require an additional physical examination for public school students, which will help to screen children for the preventable conditions of obesity and depression, identify developmental problems, assess oral health risks, and update immunizations. This measure also brings Hawaii’s public schools in-line with the practices of other states and Hawaii private schools, which require multiple physical examinations throughout a child’s education.

Your Committee requests that the Department of Education examine the possibility of incorporating the seventh-grade physical examination requirement established by this measure into the department's Hawaii Keiki pilot program through the use of advanced practice registered nurses in selected schools.

Your Committee has amended this measure by:

- (1) Clarifying that the three-month provisional attendance period for a child without proof of a completed physical examination starts on the child's first date of attendance in seventh grade; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 115, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 115, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 838 Ways and Means on S.B. No. 120

The purpose and intent of this measure is to appropriate funds to support affordable and public housing, and the housing first programs for the chronically homeless.

More specifically, this measure:

- (1) Authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving trust fund;
- (2) Appropriates moneys for the construction of mirco apartment housing units; and
- (3) Appropriates funds for the continued administration of the housing first programs for the chronically homeless.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, The Chamber of Commerce of Hawaii, United States Veterans Initiative, Faith Action for Community Equity, Hawaii Appleseed Center for Law and Economic Justice, Goodwill Industries of Hawaii, Inc., Hawaii Catholic Conference, Hawaii Association of REALTORS, Hawaii Primary Care Association, Land Use Research Foundation of Hawaii, Partners in Care, PHOCUSED, and four individuals. The Department of Budget and Finance and the Department of Human Services submitted written comments on this measure.

Your Committee finds that existing public housing in Hawaii is in severe need of repair. The Hawaii Public Housing Authority's public housing has a backlog of repairs estimated to cost \$754,000,000 according to the Authority's 2014 annual fiscal year report. Your Committee believes that an expansive and comprehensive approach is needed to address the lack of housing in Hawaii.

Your Committee also finds that homelessness is a significant problem in Hawaii. Hawaii has the second highest rate of homelessness in the United States and the rate of homelessness does not appear to be improving. The 2011 Hawaii housing planning study found that up to 50,000 new housing units need to be built by 2016 to meet demand for housing.

Your Committee notes the concern by the Department of Budget and Finance that, given federal law restrictions on use of tax-exempt general obligation bonds, the State would need to issue taxable general obligation bonds at a higher cost in order to fund the rental housing trust fund and dwelling unit revolving fund. Your Committee respectfully requests that, should this measure be heard by other Standing Committees, there be further discussion regarding these concerns.

Your Committee has amended this measure by:

- (1) Changing the means of financing the construction of micro apartment housing units from general funds to general obligation bonds, which lapse on June 30, 2018;
- (2) Making all appropriation amounts unspecified sums; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 120, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 839 Ways and Means on S.B. No. 139

The purpose and intent of this measure is to ensure that the limited authority to exempt positions from civil service pursuant to section 76-16, Hawaii Revised Statutes, is being used as intended by the Legislature.

More specifically, this measure:

- (1) Requires each director of a central personnel agency for a jurisdiction to review civil service positions exempted from July 1, 2002, and prior to July 1, 2014, to determine whether the civil service positions should remain exempt;

- (2) Suspends, until July 1, 2017, the requirement that a person holding an exempt position for at least one year prior to that position being replaced with a civil service position meet certain qualifications to be appointed to that civil service position; and
- (3) Requires the Director of Human Resources Development to submit a report to the Legislature related to the review of the civil service positions exempted from July 1, 2002, and prior to July 1, 2014.

Your Committee finds that the State has made an effort to curb the use of civil service exempt positions in order to promote the merit principle on which the civil service system is based. Your Committee believes that the review of exemptions from civil service, coupled with temporary authority to retain incumbents in positions reverted to civil service even if the incumbent does not currently meet the minimum qualifications for the position, will help ensure that positions remain exempt from civil service only as intended by the Legislature.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 139, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 840 (Majority) Ways and Means on S.B. No. 144

The purpose and intent of this measure is to increase the threshold value in controversy requirement for a jury trial in a civil case from \$5,000 to \$10,000.

Your Committee received written comments in support of this measure from one individual

Your Committee finds that the statutory threshold value in controversy required for a jury trial in a civil case has been \$5,000 for over twenty-five years. Since this limit was adopted, the value of the dollar has risen due to inflation, and as a result, more cases in Hawaii's court system have been able to demand jury trials. Jury trials require more of the Judiciary's time and resources than non-jury trials. Your Committee believes that raising the threshold value in controversy required for a jury trial in a civil case will result in lower expenditures by the Judiciary to resolve these matters and a more efficient state court system.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 144, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 841 Ways and Means on S.B. No. 160

The purpose and intent of this measure is to address recommendations made by the Auditor in Auditor Report No. 14-18 regarding non-general funds of the University of Hawaii.

Specifically, this measure:

- (1) Reestablishes the Hawaii educator loan program special fund as a revolving fund;
- (2) Reestablishes the community colleges special fund as a revolving fund;
- (3) Repeals the University of Hawaii alumni special fund;
- (4) Repeals the animal research farm, Waialeale, Oahu special fund;
- (5) Repeals the technical training projects revolving fund;
- (6) Repeals the Senator Hiram K. Fong scholarship program endowment trust fund; and
- (7) Repeals the Senator Oren E. Long scholarship program endowment trust fund.

Your Committee received written comments in support of this measure from the Office of the Auditor and the University of Hawaii. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Auditor, in Auditor Report No. 14-18, recommended that the quasi-endowment income and scholarship revolving fund of the University of Hawaii be terminated because it did not meet revolving fund criteria and was not established by an Act of the Legislature as required by section 37-52.4, Hawaii Revised Statutes. Your Committee believes that terminating this fund would leave the substantial endowment without a proper vehicle from which to properly expend its funds. Accordingly, statutorily establishing the fund as a trust fund would meet the necessary statutory requirements and allow the University of Hawaii to continue funding the services supported by the University of Hawaii-established quasi-endowment income and scholarship revolving fund.

Your Committee has amended this measure by:

- (1) Establishing the University of Hawaii quasi-endowment trust fund in chapter 304A, Hawaii Revised Statutes; and
- (2) Inserting a provision that transfers the moneys in the quasi-endowment income and scholarship revolving fund of the University of Hawaii into the University of Hawaii quasi-endowment trust fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 160, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 160, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Ruderman).

SCRep. 842 (Majority) Ways and Means on S.B. No. 193

The purpose and intent of this measure is to establish an E911 surcharge on each retail transaction of a prepaid wireless telecommunications service, similar to the enhanced 911 surcharge imposed on postpaid wireless communication services.

Your Committee received written comments in support of this measure from the County of Hawaii Police Department, Honolulu Police Department, CTIA-The Wireless Association, and Verizon. Your Committee received written comments in opposition to this measure from the Hawaii Food Industry Association. Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that despite having access to 911 services, the enhanced 911 surcharge is not imposed on prepaid wireless telecommunications plans. Your Committee further finds that this measure will allow Hawaii to join the other thirty-five states and the District of Columbia that have adopted legislation establishing fair and equitable charges for funding the 911 emergency system.

Your Committee has amended this measure by:

- (1) Deleting language suggesting that the surcharge need not be separately listed on the consumer's receipt if the surcharge is otherwise disclosed to the consumer; and
- (2) Deleting the requirement that the amount of the surcharge be separately stated on an invoice or receipt provided to the consumer in order to be excluded from state taxes and fees.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 193, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 193, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 843 Ways and Means on S.B. No. 194

The purpose and intent of this measure is to establish a Commission on African American History and Culture to further the understanding of African American history and culture in Hawaii.

Your Committee received written comments in support of this measure from Guide Star Engineering, LLC, and three individuals.

Your Committee finds that African Americans have contributed considerably to Hawaii and its culture for at least one hundred seventy-five years. Despite this long history and the connection of many notable African Americans to Hawaii, African American history and culture in Hawaii is not well documented or appreciated. By establishing a commission to organize projects and events and educate residents and visitors about the African American experience in Hawaii, the State may help further the understanding of African American history and culture in Hawaii.

Your Committee has amended this measure by:

- (1) Placing the commission in the State Foundation on Culture and the Arts, rather than the Office of the Governor, for administrative purposes;
- (2) Adding provisions that dissolve the commission and sunset the measure on June 30, 2017; and
- (3) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 194, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 194, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Riviere).

SCRep. 844 Ways and Means on S.B. No. 676

The purpose and intent of this measure is to amend the capital infrastructure tax credit.

More specifically, this measure:

- (1) Doubles the maximum amount of capital infrastructure tax credits that may be issued in any taxable year from a maximum of \$1,250,000 to \$2,500,000 per qualified infrastructure tenant;
- (2) Allows any capital infrastructure costs that would result in a tax credit in excess of the maximum amount to be applied to subsequent taxable years; and
- (3) Requires a qualified infrastructure tenant to expend \$40,000,000 before the release of tax credits.

Your Committee received written comments in support of this measure from The Chamber of Commerce of Hawaii, Pacific Shipyards International, and two individuals. Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the Kapalama container terminal project is critical to modernizing commercial harbors and that completion of the project will ensure that harbor infrastructure will support sustained economic growth. Your Committee also finds

that Act 200, Session Laws of Hawaii 2014, established a capital infrastructure tax credit to assist displaced maritime and waterfront dependent tenants of the Kapalama site. The tax credit is codified as section 235-17.5, Hawaii Revised Statutes.

Your Committee notes that section 235-17.5(g), Hawaii Revised Statutes, contains provisions that allow capital infrastructure tax credits to be recaptured if the qualified infrastructure tenant fails to continue its line of business or if the taxpayer claiming the credit sells or otherwise disposes of its interest in the qualified infrastructure tenant. Your Committee believes that recapture would also be appropriate if a qualified infrastructure tenant fails to relocate in a timely manner after executing a lease with the Department of Transportation.

Your Committee has amended this measure by:

- (1) Limiting the ability of taxpayers to carry over and apply excess credits, by establishing that capital infrastructure costs may not be carried forward to claim a tax credit in taxable years beginning after December 31, 2019;
- (2) Providing that the tax credit shall be recaptured if the qualified infrastructure tenant fails to relocate within an unspecified amount of time following the execution of a lease with the Department of Transportation;
- (3) Requiring taxpayers claiming the tax credit to submit information to the Legislature; and
- (4) Making technical nonsubstantive amendments for the purposes of consistency and clarity.

Your Committee notes that your Committee on Economic Development and Technology has given its prior concurrence to these amendments.

Your Committee also notes that it does not intend for section 235-17.5(g)(2), Hawaii Revised Statutes, to supersede section 235-17.5(g)(1), Hawaii Revised Statutes, as those provisions are established in this measure. It is your Committee's intent that a taxpayer who fails to comply with section 235-17.5(g)(1), Hawaii Revised Statutes, shall not escape the recapture provisions simply by complying with section 235-17.5(g)(2), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 676, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 676, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 845 (Majority) Ways and Means on S.B. No. 663

The purpose and intent of this measure is to increase the permit fee for the purchase and use of aerial fireworks, display fireworks, and articles pyrotechnic from \$110 to \$300.

Your Committee received written comments in support of this measure from the Maui Fire Department.

Your Committee finds that the permit fee for the purchase and use of aerial fireworks, display fireworks, and articles pyrotechnic has remained fixed for several years. Your Committee further finds that this measure increases the permit fee to account for the increased costs for processing, reviewing, and approving those permits.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 663 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Chun Oakland, Galuteria).

SCRep. 846 Ways and Means on S.B. No. 1194

The purpose and intent of this measure is to allow lobbyist disclosure statements to be easily submitted and easily accessible online.

More specifically, this measure requires:

- (1) Lobbyist disclosure forms to be electronically transmitted to the State Ethics Commission; and
- (2) The State Ethics Commission to make lobbyist disclosure forms available, text searchable, and downloadable in spreadsheet form on their website for at least four years.

Your Committee received written comments in support of this measure from Common Cause Hawaii and two individuals.

Your Committee finds that requiring lobbyist disclosure forms to be submitted electronically will provide lobbyists with an efficient and effective way to transmit their required disclosure statements, while ensuring that the State Ethics Commission has a reliable, modern means by which to receive these documents. Your Committee further finds that requiring lobbyist disclosure forms to be provided online will lead to easily accessible, searchable information, thus improving transparency for government processes.

Your Committee has amended this measure by changing the effective date from January 7, 2059, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1194, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1194, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 847 Ways and Means on S.B. No. 1178

The purpose and intent of this measure is to increase the reimbursement rate for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance.

Specifically, the measure increases the acupuncture treatment rate from \$75 to \$105.70 per visit and establishes a formula based on the Medicare economic index to annually adjust the treatment rate thereafter.

Your Committee received written comments in support of this measure from the Institute for Clinical Acupuncture and one individual. Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs and the Hawaii Insurers Council.

Your Committee finds that increasing the reimbursement rate for authorized treatment by licensed acupuncturists would address inflation and the increased cost of providing care, as the reimbursement rate has not increased in twenty years.

Your Committee has amended this measure by:

- (1) Changing the maximum per-visit amount for acupuncture treatment from \$105.70 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1178, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1178, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Ruderman).

SCRep. 848 Ways and Means on S.B. No. 1175

The purpose and intent of this measure is to improve workplace safety and human resources management at the Hawaii State Hospital.

Specifically, this measure:

- (1) Requires the Department of Health and the Hawaii State Hospital to consider the recommendations of the Senate Special Investigative Committee established pursuant to S.R. No. 3 (Regular Session of 2014);
- (2) Require the Department of Health and the Hawaii State Hospital to submit written reports to the Legislature on the implementation of those recommendations; and
- (3) Appropriates funds to the Department of Health for the planning and design of a state forensic mental health hospital.

Your Committee received written comments in support of this measure from the Department of Health. Written comments in opposition to this measure were received from one individual. Written comments on this measure were received from the Hawaii Disability Rights Center.

Your Committee finds that the Hawaii State Hospital, which was intended to be a treatment hospital for individuals with mental illnesses has instead become a de facto forensic facility that is not equipped to serve as a forensic facility and lacks the capacity to serve as a treatment hospital.

Your Committee has amended this measure by:

- (1) Clarifying the purpose section to accurately reflect the operative provisions in the measure regarding the reports to the Legislature; and
- (2) Deleting the provisions authorizing the issuance of general obligation bonds for a forensic mental health hospital, with the intent that funding for the capital improvement projects to the Hawaii State Hospital be considered for inclusion in the General Appropriations Act of 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1175, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1175, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 849 Ways and Means on S.B. No. 1150

The purpose and intent of this measure is to make permanent the fuel license tax on naphtha fuels sold for use in a power generating facility by amending session law to repeal the sunset provision related to the tax.

Your Committee received written comments in support of this measure from the Kauai Island Utility Cooperative. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that, in 2007, the Legislature enacted a fuel license tax on naphtha fuels sold to a power generating facility. The tax is currently set at a rate of two cents per gallon. Pursuant to Act 103, Session Laws of Hawaii 2007, as amended by Act 198, Session Laws of Hawaii 2009, as amended by Act 188, Session Laws of Hawaii 2012, this tax is scheduled to be repealed on December 31, 2015. Your Committee further finds that it is the intent of this measure to maintain the current fuel license tax of two cents per gallon for naphtha fuels sold to a power generating facility. No other tax rates are intended to be increased by the measure.

Your Committee has amended this measure by:

- (1) Adding a section to explain the purpose of the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the Department of Taxation proposed clarifying amendments to the measure. Your Committee believes that the measure, as amended, achieves the purpose of these proposed amendments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1150, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1150, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 850 Ways and Means on S.B. No. 1146

The purpose and intent of this measure is to extend the authority of the University of Hawaii system to maintain a separate accounting and financial management system.

Your Committee received written comments in support of this measure from the University of Hawaii.

Your Committee finds that failure to extend the University of Hawaii's authority to maintain a separate accounting and financial management system would require it to return to an older financial management system that is designed for more traditional state government entities, rather than university systems.

Your Committee has amended this measure by:

- (1) Adding provisions that amend the effective date and repeal and reenactment provisions of several acts that impact the sections of law being amended by this measure;
- (2) Changing the effective date to June 29, 2015, and adding language to save the amendments made by this measure from the repeal and reenactment provisions of section 5 of Act 102, Session Laws of Hawaii of 2010; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1146, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1146, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Ruderman).

SCRep. 851 (Majority) Ways and Means on S.B. No. 1077

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (2) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation, University of Hawaii, and Office of Collective Bargaining.

Your Committee finds that negotiations for collective bargaining unit (2) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1077, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 852 (Majority) Ways and Means on S.B. No. 1078

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (3) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, East Hawaii Region of Hawaii Health Systems Corporation, Office of Collective Bargaining, and University of Hawaii.

Your Committee finds that negotiations for collective bargaining unit (3) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1078, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 853 (Majority) Ways and Means on S.B. No. 1079

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation, University of Hawaii, and Office of Collective Bargaining.

Your Committee finds that negotiations for collective bargaining unit (4) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1079, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 854 (Majority) Ways and Means on S.B. No. 1081

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (10) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation, and University of Hawaii.

Your Committee finds that negotiations for collective bargaining unit (10) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1081, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 855 (Majority) Ways and Means on S.B. No. 1082

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (11) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance and Office of Collective Bargaining.

Your Committee finds that negotiations for collective bargaining unit (11) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 856 (Majority) Ways and Means on S.B. No. 1083

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, and University of Hawaii.

Your Committee finds that negotiations for collective bargaining unit (8) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1083, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 857 (Majority) Ways and Means on S.B. No. 1084

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii, Hawaii Health Systems Corporation, and East Hawaii Region of Hawaii Health Systems Corporation.

Your Committee finds that negotiations for collective bargaining unit (9) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration award is issued prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1084, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 858 Ways and Means on S.B. No. 1093

The purpose and intent of this measure is to strengthen consumer protections in the servicing of residential mortgage loan payments.

Specifically, this measure clarifies and enhances mortgage servicer requirements, including:

- (1) Licensing;
- (2) Crediting of payments;
- (3) Fees for services;
- (4) The handling of consumer complaints and inquiries;
- (5) The provision of notices, disclosures, and loss mitigation options, and other duties to borrowers;
- (6) Recordkeeping;
- (7) Surety bonding; and
- (8) Prohibited activities.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that mortgage servicers collect and process residential mortgage loan payments. Your Committee further finds that borrowers in Hawaii may find it difficult to obtain the attention they desire from mainland mortgage servicers that lack a physical presence in the State. This measure amends the Mortgage Servicers law under Chapter 454M, Hawaii Revised Statutes, to establish important requirements for mortgage servicers to meet the needs of consumers, including surety bonding, providing specific information to borrowers about their mortgages, and offering loss mitigation options to assist borrowers with avoiding foreclosure.

Your Committee has amended this measure by:

- (1) Correcting a reference to the name of the Home Affordable Modification Program in the new definition of that term; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1093, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1093, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Ruderman).

SCRep. 859 Ways and Means on S.B. No. 1096

The purpose and intent of this measure is to clarify the application of the on-bill financing law.

Specifically, the measure exempts electric utilities that are serving as a pass-through for repayments of on-bill obligations from:

- (1) The imposition of various state and county taxes and fees; and
- (2) Laws regulating financial institutions, escrow depositories, or collection agencies.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Public Utilities Commission; Hawaiian Electric Company; and Blue Planet Foundation. The Department of Taxation and Tax Foundation of Hawaii submitted written comments on this measure.

Your Committee finds that the Public Utilities Commission has begun the development of a billing mechanism for on-bill charges and expects that it will be used to collect payments of the green infrastructure charge authorized by section 269-172, Hawaii Revised Statutes, and repayments of on-bill obligations addressed by this measure. This measure will help to remove any potential differences in the application of taxes and fees between the two similar programs and facilitate an electric utility's role as a pass-through for repayments of on-bill obligations.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1096, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Ruderman).

SCRep. 860 Ways and Means on S.B. No. 1361

The purpose and intent of this measure is to increase transparency in the state budgeting process.

Specifically, the measure:

- (1) Requires information on position ceilings, including the maximum number of permanent and temporary full-time equivalent positions authorized, to be included in the executive budget, the judiciary budget, and related budget documents;
- (2) Prohibits an agency from exceeding its position ceiling, with certain exceptions; and
- (3) Clarifies that the section of law that identifies civil service exempt positions (section 76-16, Hawaii Revised Statutes) does not authorize the creation of any civil service exempt position, and that such a position must be created by law and funded.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; the Department of Budget and Finance; the Department of Education; the Department of Human Resources Development; and the University of Hawaii.

Your Committee finds that, while the measure will assist the Legislature in preparing more fiscally responsible budgets by ensuring that it receives accurate personnel information, the restriction on establishing civil service exempt positions may be overly broad and may consequently hinder the Governor's ability to swiftly react to pressing needs of the State. In light of this finding, your Committee believes it prudent to provide the Governor with the limited authority to allow executive department heads to establish civil service exempt positions for special, research, or demonstration projects, provided that the position can be funded by existing appropriations.

Your Committee has amended this measure by:

- (1) Adding a new section to the civil service laws, to take effect upon approval, to authorize the head of a department to establish and abolish positions for special, research, or demonstration projects; and
- (2) Deleting two sections of the bill relating to the amendment of section 76-16(b), Hawaii Revised Statutes, that would have required express statutory authorization for creation of the positions referenced in that subsection.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1361, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1361, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Riviere).

SCRep. 861 Ways and Means on S.B. No. 1324

The purpose and intent of this measure is to require the Employees' Retirement System to directly pay a portion of a member's pension or related benefit to the former spouse of the member, in response to an award in a divorce action.

Your Committee received written comments in support of this measure from the Hawaii State Bar Association, Family Law Section; and three individuals. Your Committee received written comments in opposition to this measure from the Employees' Retirement System.

Your Committee finds that this measure will ensure that a member's or retirant's pension or related benefits are correctly divided pursuant to a divorce action award and promptly paid, with the appropriate tax consequences for both the member or retirant and the former spouse. Such a requirement will also help conform chapter 88, HRS, to the federal Employee Retirement Income Security Act, which applies only to private employers.

Your Committee has amended this measure by:

- (1) Replacing the general funds with the expense fund of the Employees' Retirement System as the source of funds for the implementation of this measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1324, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1324, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 862 Ways and Means on S.B. No. 1180

The purpose and intent of this measure is to comply with federal laws applicable to Metropolitan Planning Organizations.

Specifically, this measure:

- (1) Adds a new chapter to the Hawaii Revised Statutes with revised requirements for Metropolitan Planning Organizations; and
- (2) Repeals chapter 279E, entitled "Metropolitan Planning Organization," Hawaii Revised Statutes.

Your Committee received comments in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, Department of Transportation Services of the City and County of Honolulu, and Oahu Metropolitan Planning Organization.

Your Committee finds that a recent review of the Oahu Metropolitan Planning Organization found that provisions of chapter 279E, Hawaii Revised Statutes, conflict with federal law. Your Committee further finds that failure to address these conflicts could result in the decertification of the Oahu Metropolitan Planning Organization and the loss of federal funds. Your Committee believes that this measure brings state law into compliance with federal law and preserves essential roadway and transit funding for the island of Oahu.

Your Committee has amended this measure by:

- (1) Deleting a reference to seed funding of \$500,000 to be deposited into the metropolitan planning organization revolving fund;
- (2) Specifying that legislative appropriations to the metropolitan planning organization revolving fund will be out of the state highway fund;
- (3) Adding an appropriation of an unspecified amount from the state highway fund for fiscal biennium 2015-2017 to the metropolitan planning organization revolving fund;
- (4) Adding an appropriation of an unspecified amount out of the metropolitan planning organization revolving fund for fiscal biennium 2015-2017 to be expended by the Department of Transportation for the purpose of the measure; and
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1180, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1180, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Galuteria, Slom).

SCRep. 863 Ways and Means on S.B. No. 778

The purpose and intent of this measure is to require the Department of Education to establish assessments specifically for Ka Papahana Kaiapuni (Hawaiian language immersion program) students.

Specifically, this measure:

- (1) Requires the Department of Education to develop and implement annual assessments written in the Hawaiian language for language arts, mathematics, and science for Ka Papahana Kaiapuni students, subject to certain criteria;
- (2) Requires the Department of Education to develop procedures for the assessments with the assistance of various organizations of the Hawaiian language community;
- (3) Requires the Department of Education to submit reports to the Legislature on the status of the procedures the department is establishing for the development and administration of the assessments; and
- (4) Appropriates funds to the Department of Education for the development and administration of the assessments in the Hawaiian language.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, College of Hawaiian Language of the University of Hawaii at Hilo, and three concerned individuals. The Department of Education submitted written comments on the measure.

Your Committee finds that under the No Child Left Behind Act, assessments for Hawaiian language immersion students were made using English-to-Hawaiian translations of statewide assessments for grades 3 and 4, where the sole language of instruction is Hawaiian. These translated tests reportedly contained cultural biases, translation inaccuracies, grammatical errors, vocabulary errors, and inconsistent terminology. Your Committee believes that requiring the Department of Education to work with various Hawaiian language organizations to develop and implement assessments specifically for Hawaiian language immersion students will help to resolve the problems encountered with past assessments and will provide a fair and meaningful opportunity for the students to participate in national and state educational assessment programs.

Your Committee has amended this measure by:

- (1) Deleting the provisions regarding Hawaiian language immersion assessments that were in a new section in chapter 302A, Hawaii Revised Statutes, and placing the provisions in section 302H-5, Hawaii Revised Statutes;
- (2) Requiring that the Department of Education develop and implement the annual assessments beginning with an unspecified school year;
- (3) Requiring the Department of Education to include in its reports to the Legislature the status of the waivers sought from the United States Department of Education, as well as other actions taken to comply with the provisions of the measure; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 778, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 778, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 864 Ways and Means on S.B. No. 750

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue up to \$90,000,000 in special purpose revenue bonds on behalf of Anaergia Incorporated for the development of facilities for renewable nonfossil fuel energy production on Maui.

Your Committee received written comments in support of this measure from the Mayor of the County of Maui, a Councilmember from the County of Maui, Go Maui, Inc., Hale Mahauola, Anaergia Services, LLC, Ulupono Initiative, and nine individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the issuance of special purpose revenue bonds will be used for the purpose of assisting Anaergia Incorporated with the establishment of energy production, waste recovery, and related facilities on the island of Maui. Your Committee also finds that Anaergia Incorporated proposes to build, own, and operate a project located in central Maui that is designed to process up to seven hundred tons per day of municipal solid waste, green waste, and sewage sludge. Your Committee further finds that the issuance of special purpose revenue bonds for these purposes is in the public interest and for the public health, safety, and general welfare.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 750 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Ruderman).

SCRep. 865 Ways and Means on S.B. No. 504

The purpose and intent of this measure is to enable the State Historic Preservation Division of the Department of Land and Natural Resources to distribute its limited resources efficiently by establishing methods of determining single-family residences that are "historic property."

More specifically, this measure:

- (1) Amends the definition of "historic property" to exclude privately owned single-family residences, unless the residence satisfies certain exceptions;
- (2) Appropriates moneys for the State Historic Preservation Division to conduct a survey to identify potential historic districts and single-family residences that may be eligible for listing on the Hawaii Register of Historic Places;
- (3) Requires the State Historic Preservation Division to notify owners of properties listed in paragraph (2) that their property may be eligible for listing on the Hawaii Register of Historic Places; and
- (4) Requires the State Historic Preservation Division to submit a report to the Legislature prior to the 2016 Regular Session.

Your Committee received written comments in support of this measure from Land Use Research Foundation of Hawaii, Hawaii Association of REALTORS, and two individuals. Your Committee received written comments in opposition to this measure from one individual. The Department of Land and Natural Resources, Historic Hawaii Foundation, Society for Hawaiian Archeology, Building Industry Association Hawaii and one individual submitted written comments on this measure.

Your Committee finds that the State Historic Preservation Division of the Department of Land and Natural Resources reviews permits for proposed projects on historic properties, which includes single-family residences over fifty years old. In coming years, many single-family residences will be fifty years old. The permit review process may become more burdensome on the State Historic Preservation Division if many of these residences start construction, renovation, or repair projects. Your Committee intends for this measure to remain a vehicle to assist the State Historic Preservation Division in addressing the issue of residences that are or will be deemed historic properties, due solely to the age of the structure. Your Committee notes that requiring the State Historic Preservation Division to conduct a survey of districts and properties is still under consideration by your Committee.

Your Committee has amended this measure by:

- (1) Deleting all provisions of this measure other than the appropriations; and
- (2) Specifying that the appropriation from the historic preservation special fund shall be used to address issues surrounding historic residences, including but not limited to inventorying of residential structures that are fifty years old or older.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 504, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 504, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 866 (Majority) Ways and Means on S.B. No. 384

The purpose and intent of this measure is to establish an address confidentiality program to allow victims of various crimes to relocate to new addresses and keep those new addresses confidential.

Your Committee received written comments in support of this measure from Hawaii State Commission on the Status of Women, GLBT Caucus of the Democratic Party of Hawaii, Hawaii State Coalition Against Domestic Violence, Hawaii State Democratic Women's Caucus, Hawaii Women Lawyers, PHOCUSED, and the Sex Abuse Treatment Center. The Department of Accounting and General Services submitted written comments on this measure.

Your Committee finds that domestic violence, sexual offenses, and stalking are crimes that leave victims in a constant state of apprehension. Even when a victim is initially able to evade their aggressor, the victim's safety is not fully guaranteed. Violent perpetrators of these crimes are often resourceful and determined to locate their victims again.

Your Committee also finds that due to modern technology, it is easier than ever to obtain personal information. Social media, search engines, and other online resources make it difficult for victims to evade aggressors who seek them out. Establishing an address confidentiality program will increase a victim's ability to maintain the victim's privacy and safety.

Your Committee has amended this measure by:

- (1) Attaching the address confidentiality program to the Crime Victim Compensation Commission rather than the Department of Accounting and General Services; and
- (2) Adding sexual offenses to the list of crimes subject to the address confidentiality program surcharge.

Your Committee also intends that further consideration be given to determining which agency may appropriately administer the address confidentiality program. Your Committee is willing to consider an agency other than the Crime Victim Compensation Commission for this program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 384, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 384, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 867 (Majority) Ways and Means on S.B. No. 129

The purpose and intent of this measure is to authorize employees of large employers to earn paid sick leave.

Specifically, this measure:

- (1) Requires employers who employ fifty or more employees to allow those employees to earn sick leave at the rate of one hour of paid sick leave for each forty hours worked;
- (2) Authorizes workers to use earned paid sick leave to take time off of work for:
 - (A) The worker's medical care;
 - (B) The worker's child's or spouse's medical care; or
 - (C) Activities and care resulting from family violence or sexual assault.

Your Committee received written comments in support of this measure from the Democratic Party of Hawaii and Hawaii State AFL-CIO. Your Committee received written comment in opposition to this measure from Hawaii Food Industry Association, Kauai Chamber of Commerce, Maui Chamber of Commerce, National Federation of Independent Business Hawaii, Society for Human Resource Management Hawaii Chapter, and The Chamber of Commerce of Hawaii. The Department of Labor and Industrial Relations submitted written comments on this measure.

Your Committee finds that the finances of low-income families are often affected when the main wage earner is unable to earn income for a few days due to a short-term illness. While temporary disability insurance protects all wage earners in the State, benefit payments do not start until the eighth day of disability. Requiring employers to allow workers to earn sick leave that can be applied during qualifying short-term absences will help prevent the loss of income not subject to the benefits of temporary disability insurance. This measure will also encourage unhealthy workers to stay home and recover, which will help prevent the spread of the flu and other diseases.

Your Committee has amended this measure by:

- (1) Amending the definition of child to clarify that the qualified legal ward or biological, adopted, foster, or step-child of a service worker is less than eighteen years of age;
- (2) Applying the provisions of this measure to food establishment workers regardless of the number of hours per week worked;
- (3) Removing the exemption for employers that are a business establishment classified in sector 31, 32, or 33 of the North American Industrial Classification System;
- (4) Requiring that sick leave shall be earned only for hours actually worked; and
- (5) Imposing a maximum of eighty hours of earned sick leave that can be carried over for each service worker.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 129, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 129, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 868 Ways and Means on S.B. No. 128

The purpose and intent of this measure is to promote highway safety and alleviate traffic congestion.

Specifically, the measure:

- (1) Prohibits operation of a motor vehicle within one meter of a moving bicycle; and
- (2) Appropriates moneys as a grant-in-aid to the City and County of Honolulu for the operation of a van pool program on Oahu.

Your Committee received written comments in support of this measure from the Department of Transportation and two individuals. The Hawaii Transportation Association and one individual submitted written comments on the measure.

Your Committee finds that bicycling is a safe and sustainable method of transportation for many in Hawaii. However, there are places where bicyclists must share the road with motor vehicles, making bicycling more dangerous for cyclists. Your Committee believes that placing clear restrictions on motorists will increase the safety of bicyclists and also encourage members of the public to use bicycling as an alternative mode of transportation.

Your Committee also finds that van pools promote sustainability by reducing the number of motor vehicles on the road using fossil fuels and may help to relieve traffic congestion in the City and County of Honolulu.

Your Committee has amended this measure by:

- (1) Changing the restriction on the operation of a motor vehicle from within "one meter of a moving bicycle," to "one yard of a person operating a bicycle";
- (2) Appropriating the grant-in-aid from the state highway fund rather than from general revenues;
- (3) Changing the amount appropriated to an unspecified amount;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests the Attorney General to review the prohibition language in this measure concerning operating a motor vehicle within one yard of a person operating a bicycle, and make recommendations as to its enforceability. Your Committee further requests the Attorney General to submit its findings and recommendations, including any proposed amendments, to the Standing Committees that will consider this measure later in the legislative process.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 128, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 128, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Galuteria, Slom).

SCRep. 869 (Majority) Ways and Means on S.B. No. 1080

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (5) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee received written comments in support of this measure from the Department of Budget and Finance and Office of Collective Bargaining.

Your Committee finds that negotiations for collective bargaining unit (5) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached prior to the end of the 2015 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1080, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 870 Ways and Means on S.B. No. 1348

The purpose and intent of this measure is to authorize the University Laboratory School to conform its student enrollment profile to meet University of Hawaii research requirements.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, the University of Hawaii, University Laboratory School, ULS Governing Board, and twenty-one concerned individuals. Your Committee received written comments on this measure from the Office of Hawaiian Affairs and Aha Punana Leo.

Your Committee finds that the provisions of section 302D-34, Hawaii Revised Statutes, prohibiting the use of ethnicity, gender, and income level in student admissions, conflict with the admission policies implemented by the University Laboratory School to fulfill University of Hawaii College of Education research requirements. This measure will authorize the State Public Charter School Commission to approve the long-standing admissions policy of the University Laboratory School, while maintaining compliance with established federal law on similar laboratory school admission policies, and better reflect legislative intent when significant changes were made to charter school laws over the last four years.

Your Committee notes that if the Standing Committees of the House of Representatives with subject matter jurisdiction over this measure decide to hear it, your Committee respectfully requests that the Standing Committees consider the written comments submitted by the Office of Hawaiian Affairs to your Committee, which requests that the Laboratory Schools of the Hawaiian Language College be similarly allowed the flexibility to adjust their schools' student body demographics.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1348 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 871 Ways and Means on S.B. No. 971

The purpose and intent of this measure is to require rental housing projects to enter into regulatory agreements with the Hawaii Housing Finance and Development Corporation with regard to minimum required periods of affordability, in order to receive certification from the Corporation for an exemption from the general excise tax.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation and two individuals. Written comments in opposition to this measure were received from one individual. Written comments on the measure were received from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that by setting minimum statutory affordability terms for rental housing projects, this measure will ensure that any improvements to a rental housing project that is exempted from the general excise tax will accrue to the benefit of lower income households for a period commensurate with the extent of the improvements.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 971, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 872 Ways and Means on S.B. No. 1011

The purpose and intent of this measure is to change the manner in which disputes over Hawaii Employer-Union Health Benefits Trust Fund (EUTF) contributions are resolved.

Specifically, the measure repeals:

- (1) The prohibition on arbitration to resolve disputes regarding contributions to the EUTF;
- (2) The Legislature's role in resolving EUTF contribution disputes through an enactment of law; and
- (3) The prohibition on the ability of a collective bargaining unit member to participate in a strike over EUTF contributions.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, Hawaii State Teachers Association, United Public Workers, and University of Hawaii Professional Assembly. Your Committee received written comments in opposition to this measure from the Department of Budget and Finance and one individual. The Office of Collective Bargaining submitted written comments on the measure.

Your Committee finds that this measure would allow the use of binding arbitration to end collective bargaining impasses and settle disputes relating to issues such as contributions to the EUTF.

Your Committee also notes that any legislative committees that may deliberate further on this measure may wish to consider the concerns and proposed amendments offered by the Office of Collective Bargaining in its written comments to your Committee regarding the arbitration panel.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1011, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8; Ayes with Reservations (Riviere). Noes, none. Excused, 3 (Chun Oakland, Inouye, Slom).

SCRep. 873 Ways and Means on S.B. No. 1016

The purpose and intent of this measure is to appropriate moneys to establish a life support ambulance based in Puna, Hawaii.

Your Committee received written comments in support of this measure from the Hawaii County Council. The Department of Health submitted written comments on this measure.

Your Committee finds that the Puna area on the island of Hawaii is the fastest growing district in the State and has a projected population of seventy-five thousand residents in the next fifteen years. For many Puna residents, their access point to health care is through the Hawaii County Fire Department's Emergency Medical Services System. In addition, natural disasters affecting the Puna area, such as Tropical Storm Iselle and the ongoing lava flow, present potential obstacles to timely emergency care. A life support ambulance based in Puna will help serve the increased population of this area and provide an additional emergency health care option in the event of a natural disaster.

Your Committee suggests that, should subsequent Standing Committees decide to hear this measure, the Committees request the Department of Health to provide a more accurate estimate of the amount of funding needed to fulfill the purposes of this measure. Your Committee requests that subsequent Standing Committees also confirm that the emergency medical services special fund has sufficient moneys to fund the appropriation.

Your Committee has amended this measure by:

- (1) Appropriating funds for fiscal year 2016-2017; and

- (2) Making the effective date July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1016, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1016, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 874 Ways and Means on S.B. No. 472

The purpose and intent of this measure is to transfer the administrative attachment of the Office of Information Practices from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

Specifically, the measure:

- (1) Transfers the Office of Information Practices as an administratively attached agency of the Office of the Lieutenant Governor to the Department of Accounting and General Services;
- (2) Authorizes the Office of Information Practices to make direct communications with the Governor and Legislature;
- (3) Clarifies the employment status of attorneys employed by the Office of Information Practices and the civil service exemption for Office of Information Practices personnel;
- (4) Appropriates an unspecified sum to the Department of Accounting and General Services for two additional positions to provide administrative support for the Office of Information Practices and other agencies administratively attached to the Department; and
- (5) Makes a housekeeping amendment to section 28-8.3, Hawaii Revised Statutes, to delete an obsolete reference.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor, the Office of Information Practices, and Common Cause Hawaii. Your Committee received written comments on this measure from the Department of Accounting and General Services.

Your Committee finds that recognizing the Office of Information Practices as a permanent office and administratively attaching it to the Department of Accounting and General Services, rather than the Office of the Lieutenant Governor, complies with the constitutional requirement that permanent offices be housed in one of the principal executive branch departments.

Your Committee further finds that it should be clarified that, upon administrative attachment of the Office of Information Practices to the Department of Accounting and General Services:

- (1) Any quasi-judicial functions of the Office of Information Practices shall not be subject to the approval, review, or control of the Comptroller; and
- (2) The Comptroller shall not have the power to supervise or control the Office of Information Practices in the exercise of its functions, duties, and powers under section 92F-42, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Deleting the provisions of a new section to be added to chapter 92F, part IV, Hawaii Revised Statutes, and clarifying the intent of these provisions by incorporating them into existing section 92F-41, Hawaii Revised Statutes, to provide that the Office of Information Practices shall be:
 - (A) Allowed to make direct communications with the Governor and Legislature; and
 - (B) Required to follow and be subject to all applicable personnel laws;
- (2) Further amending section 92F-41, Hawaii Revised Statutes, to provide that:
 - (A) Any quasi-judicial functions of the Office of Information Practices shall not be subject to the approval, review, or control of the Comptroller; and
 - (B) The Comptroller shall not have the power to supervise or control the Office of Information Practices in the exercise of its functions, duties, and powers under section 92F-42, Hawaii Revised Statutes; and
- (3) Deleting the appropriations to the Department of Accounting and General Services for the two additional positions to provide administrative support to agencies attached to the Department.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 472, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 472, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 875 Ways and Means on S.B. No. 275

The purpose and intent of this measure is to augment the resources available to the State and counties to respond to sexual assaults.

Specifically, the measure:

- (1) Establishes a statewide sexual assault response system within the Department of the Attorney General;

- (2) Requires the prosecuting attorney for each county to organize a county sexual assault response team;
- (3) Establishes forensic medical examination protocols for sexual assault cases in both the health and forensic identification statutes; and
- (4) Appropriates funds to the Department of the Attorney General and the counties.

Your Committee received written comments in support of this measure from one individual. Written comments in opposition to this measure were received from the Department of the Prosecuting Attorney - County of Maui. Written comments on the measure were received from the Department of the Attorney General, the Honolulu Police Department, and the Sex Abuse Treatment Center.

Your Committee finds that the Hawaii Sexual Assault Response and Training Program was a successful statewide consultative partnership between the Department of the Attorney General, the county prosecutors' offices, the police departments, sexual assault centers, medical and forensic examiners, and the Honolulu Police Department crime laboratory. The program served to coordinate and standardize the handling of sexual assault medical-legal cases statewide and fulfilled the goals of the statewide response system proposed under this measure. Unfortunately, the program was disbanded in 2014 due to a lack of dedicated funding.

Your Committee has amended this measure by adopting the recommendation of the Department of the Attorney General that the Hawaii Sexual Assault Response and Training Program, which was operating very effectively until funding ended, be reestablished. More specifically, your Committee has amended this measure by:

- (1) Renaming the "statewide sexual assault response system" as the "Hawaii sexual assault response and training program" and clarifying its purposes and the role of the Department of the Attorney General;
- (2) Deleting the provisions establishing county sexual assault response teams and replacing them with provisions requiring county membership in the Hawaii sexual assault response and training program;
- (3) Deleting the provision that establishes a forensic medical examination protocol in the statutes relating to the Department of Health;
- (4) Clarifying the purposes of the appropriation to the Department of the Attorney General; your Committee notes that the Attorney General has indicated that the estimated cost to re-start the program is \$132,000; and
- (5) Replacing the appropriation to the counties with a grant-in-aid to the Honolulu Police Department.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 275, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 275, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 876 Ways and Means on S.B. No. 284

The purpose and intent of this measure is to allocate transient accommodations tax revenues of \$3,000,000 annually to the special land and development fund, to be expended pursuant to title 12, Hawaii Revised Statutes, in accordance with the long-range strategic plan for tourism developed by the Hawaii Tourism Authority.

The measure also clarifies that the transient accommodations tax allocation to the special land and development fund may be used, among other things, for state parks, beaches, and trails, and costs associated with improving enforcement of ancillary regulations.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Hawaii Tourism Authority, the Hawaii Lodging and Tourism Association, The Nature Conservancy, the Land Use Research Foundation of Hawaii, and six individuals. The State-County Functions Working Group and the Tax Foundation of Hawaii provided written comments on the measure.

On February 26, 2015, your Committee voted to recommend that the measure be passed unamended. However, your Committee subsequently reconsidered its recommendation to pass the measure unamended and circulated a Proposed Senate Draft 2 and notified the public that it would be accepting testimony on the proposed draft. The proposed draft amended the Senate Draft 1 by inserting a new part that authorizes the Department of Land and Natural Resources to issue \$40,000,000 in revenue bonds and to use the proceeds to acquire a conservation easement in Turtle Bay, Oahu. The proposed draft also established a new Turtle Bay conservation easement special fund, to be administered by the department, and allocated transient accommodations tax revenues of \$3,000,000 annually to the special fund to pay the debt service on the revenue bonds and ongoing expenses related to the bonds.

Your Committee received written comments in support of the proposed draft from the Department of Budget and Finance, the Hawaii Tourism Authority, The Nature Conservancy, The Trust for Public Land, the Defend Oahu Coalition, and one individual. The State-County Functions Working Group and the Tax Foundation of Hawaii provided written comments.

Your Committee finds that the transient accommodations tax revenues are substantially derived from the visitor industry and comprise user taxes. Your Committee further finds that Oahu's North Shore is a popular visitor destination and is an essential component of Hawaii's tourism industry. Your Committee believes that the acquisition of the Turtle Bay conservation easement will support, encourage, and enhance the natural beauty of Oahu's North Shore, which in turn will contribute to increased transient accommodations tax revenues collected by the State.

Your Committee also finds that the amendments made to section 237D-6.5(b), Hawaii Revised Statutes, in parts I and II of the measure do not conflict and that the Revisor of Statutes will be able to harmonize the amendments made to that section of law by the two separate parts. These findings are intended to address technical issues noted by the Hawaii Tourism Authority.

Your Committee has amended this measure by adopting the proposed draft with the following amendments:

- (1) Establishing the Department of Budget and Finance, rather than the Department of Land and Natural Resources, as the agency responsible for issuing revenue bonds to acquire the Turtle Bay conservation easement;
- (2) Requiring the Department of Budget and Finance, upon acquisition, to transfer the conservation easement to the Department of Land and Natural Resources;
- (3) Providing that, upon payment of all debt service on revenue bonds issued to acquire the conservation easement, any moneys left unexpended in the new Turtle Bay conservation easement special fund shall be transferred to the tourism special fund;
- (4) Repealing sections 201B-8.5 and 201B-8.6, Hawaii Revised Statutes, which, respectively, authorizes the Hawaii Tourism Authority to issue revenue bonds to acquire the Turtle Bay conservation easement and establishes the corresponding Turtle Bay conservation easement special fund;
- (5) Repealing section 5 of Act 81, Session Laws of Hawaii 2014, which relates to the Hawaii Tourism Authority's acquisition of the Turtle Bay conservation easement;
- (6) Transferring unencumbered moneys, if any, in the Turtle Bay conservation easement special fund established under section 201B-8.6, Hawaii Revised Statutes, to the new Turtle Bay conservation easement special fund established by this measure;
- (7) Making conforming amendments to the purpose section of part II of the measure, to reflect changes made to the substantive provisions of that part; and
- (8) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 284, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 284, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 877 Ways and Means on S.B. No. 374

The purpose and intent of this measure is to expand opportunities for high school students to earn high school and college level academic credit simultaneously.

Specifically, this measure:

- (1) Renames the Running Start Program as the Dual Credit Program;
- (2) Expands the program to include qualified high school students in ninth and tenth grades, rather than be limited to those in eleventh and twelfth grades;
- (3) Expands the program to include private school and home-schooled high school students;
- (4) Exempts participating students from University of Hawaii tuition and fee charges;
- (5) Establishes that qualifications shall be uniform across all campuses;
- (6) Establishes support staff positions; and
- (7) Appropriates funds.

Your Committee received written comments in support of this measure from the University of Hawaii System, the University of Hawaii Office of Career and Technical Education, Kapiolani Community College, Kohala High School, and eighteen individuals. The Department of the Attorney General submitted written comments on this measure.

Your Committee finds that students who participate in dual credit programs such as Running Start, Jump Start, and Early College demonstrate higher college attendance and success rates than non-participating students. As such, in order to maximize access and operational and funding efficiencies, combining these programs is a prudent step in the right direction.

However, your Committee further finds that inclusion of private school students in the dual credit program would violate article X, section 1, of the Hawaii State Constitution, which prohibits the use of public funds "for the support or benefit of any sectarian or nonsectarian private educational institution", and interpretation of that provision in *Spears v. Honda*, 449 P.2d 130, 51 Haw. 1 (1968).

Your Committee has amended this measure by:

- (1) Deleting the provision making private and home-schooled students eligible for the Dual Credit Program;
- (2) Clarifying the language regarding University of Hawaii courses that may also satisfy the Department of Education high school graduation requirements; and
- (3) Changing the appropriations to unspecified amounts to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 374, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 374, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 878 Ways and Means on S.B. No. 1280

The purpose and intent of this measure is to require the Public Utilities Commission to regulate transportation network companies and transportation network company drivers.

Additionally, this measure establishes motor vehicle insurance requirements for the transportation network company industry.

Your Committee received written comments in support of this measure from the Government Employees Insurance Company, Liberty Mutual Insurance, the Property Casualty Insurers Association of America, State Farm Mutual Automobile Insurance Company, and United Services Automobile Association. Written comments in opposition to this measure were received from Uber Technologies. Written comments on the measure were received from the Public Utilities Commission, Hawaii Insurers Council, and Grassroots Institute of Hawaii.

Your Committee finds that this measure closes motor vehicle insurance gaps for transportation network companies, which basically provide commercial ridesharing services. Furthermore, it protects Hawaii drivers from subsidizing the insurance costs of transportation network companies by clearly specifying that personal motor vehicle insurance policies do not cover the commercial activities of these companies.

Nonetheless, your Committee notes that concerns were raised over section -8, Hawaii Revised Statutes, established in section 1 of the measure, which sets forth insurance requirements for transportation network companies and transportation network company drivers. Accordingly, your Committee requests that as this measure crosses over to the House of Representatives, subsequent Standing Committees that hear this measure examine whether the insurance requirements need to be amended to prevent occurrences of electronic application abuses aimed at circumventing insurance requirements, such as by turning off the software application service while operating as a transportation network company driver.

Your Committee has amended this measure by:

- (1) Deleting the definition and uses of the term “transportation network company service”; consolidating its use in the measure with that of the term “transportation network company activity”; and making conforming amendments throughout the measure;
- (2) Changing the annual permit fee for transportation network companies to an unspecified amount;
- (3) Authorizing the Public Utilities Commission to use the rulemaking process to adjust the statutorily-established amount of the annual permit fee;
- (4) Appropriating funds to the Public Utilities Commission for fiscal year 2015-2016 to implement this measure. Your Committee has appropriated general funds for this purpose. Your Committee intends that from fiscal year 2015-2016, the permit fees collected from transportation network companies shall fund the entire operation of the regulatory program; and
- (5) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1280, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1280, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Inouye, Slom).

SCRep. 879 Ways and Means on S.B. No. 675

The purpose and intent of this measure is to improve medical coverage for firefighters.

More specifically, this measure:

- (1) Provides firefighters with comprehensive medical coverage through workers compensation benefits by establishing a rebuttable presumption that a firefighter who suffers from cancer, a blood-borne infectious disease, or exposure to biochemical substances, contracted the condition in the course of employment; and
- (2) Requires the State Fire Council to develop standards and procedures to ensure the health and safety of firefighters and first responders who may be exposed to hazardous materials or situations in the course of their duties.

Your Committee received written comments in support of this measure from the Hawaii Fire Fighters Association and State of Hawaii Organization of Police Officers. Your Committee received written comments in opposition to this measure from the Hawaii Insurers Council. Your Committee received written comments on this measure from the Department of Human Resources Development, Department of Labor and Industrial Relations, State Fire Council, City and County of Honolulu, County of Hawaii Fire Department, Honolulu Fire Department, and Maui Fire Department.

Your Committee finds that studies have been done showing firefighters face a significantly higher risk of being diagnosed with cancer than the general public. Your Committee further finds that establishing a rebuttable presumption that a firefighter's cancer, blood-borne infectious disease, or exposure to biochemical substances was contracted in the course of employment will help ensure that firefighters receive proper care under the workers compensation system.

Your Committee notes that the measure requires the Labor and Industrial Relations Appeals Board to find in accordance with this presumption, unless the presumption is rebutted by the evidence. However, your Committee also notes that claims are first adjudicated by the Disability Compensation Division, rather than the Labor and Industrial Relations Appeals Board.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the provision that incorrectly references the Labor and Industrial Relations Appeals Board;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 675, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 675, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 880 Ways and Means on S.B. No. 996

The purpose and intent of this measure is to appropriate funds to the State Ethics Commission to design and develop a system that allows filers to electronically file required statements and reports with the State Ethics Commission.

Your Committee received written comments in support of this measure from Common Cause Hawaii and four individuals.

Your Committee finds that the State Ethics Commission receives fiscal disclosure statements and other filings from legislators, state officials and employees, lobbyists, and candidates for state elective office. Your Committee further finds that it is in the best interests of the filer, the State Ethics Commission, and the public for the State Ethics Commission to have a system where documents are electronically transmitted and accepted because it will lead to greater efficiency and accessibility.

Your Committee has amended this measure by:

- (1) Inserting \$130,000 as the amount to be appropriated; and
- (2) Making the appropriation for only fiscal year 2015-2016.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 996, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 996, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 881 Ways and Means on S.B. No. 984

The purpose and intent of this measure is to reestablish an interagency working group to discuss and create a comprehensive plan for the transfer of all personnel and functions of the Department of Accounting and General Services to the Department of Education with regard to neighbor island public schools.

Your Committee received written comments on this measure from the Department of Accounting and General Services.

Your Committee finds that this measure provides a framework for continued discussions of the requirements of Act 51, Session Laws of Hawaii 2004, which among other things, transferred certain functions from the Department of Accounting and General Services to the Department of Education. Although the implementation of most of the requirements occurred nearly ten years ago, issues continue to arise, including how to accommodate the needs of neighbor island schools so that service levels are consistent statewide.

Your Committee has amended this measure by:

- (1) Adding a requirement that the interagency working group submit a report to the Legislature in 2017;
- (2) Changing the date the interagency working group will dissolve from June 30, 2016, to June 30, 2017;
- (3) Requiring that the 2016 report include an implementation plan;
- (4) Requiring that the actual transfer of personnel and functions be completed by July 1, 2017;
- (5) Adding an appropriation for fiscal year 2016-2017; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 984, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 984, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 882 (Majority) Ways and Means on S.B. No. 844

The purpose and intent of this measure is to establish the Executive Office on Early Learning Pre-kindergarten Program to provide high-quality early childhood education to the children of Hawaii.

Your Committee received written comments in support of this measure from the Department of Human Services, Hawaii Teacher Standards Board, State Public Charter School Commission, Chamber of Commerce of Hawaii, Early Learning Advisory Board, Hawaii State AFL-CIO, HE'E Coalition, Kamehameha Schools, Special Education Advisory Council, and four individuals. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that last year the Legislature appropriated funds for twenty-one public Department of Education pre-kindergarten classrooms across the State.

Your Committee also finds that statutorily creating a public pre-kindergarten program clearly establishes the legislative intent of supporting public early childhood education that is of high educational quality. A public pre-kindergarten program will expand the opportunities for families in Hawaii to send their children to an early education program.

Your Committee further finds that a high-quality public pre-kindergarten program prepares children for success in school and in life. A public pre-kindergarten program will provide early interventions that may prevent the need for a child to receive remediation or more expensive and intensive special education or behavioral services in the future. Some studies have shown that investment in early education yields future savings through reduced incarceration rates and reduced demand for welfare assistance and other social services.

Your Committee believes that investing in Hawaii's youngest children will ultimately help prepare them to become well-educated, responsible, productive, and prosperous members of society.

Your Committee has amended this measure by deleting the appropriation section that would have provided for funding in addition to any made in the General Appropriations Act of 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 844, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 844, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, 1 (Slom). Excused, 3 (Galuteria, Riviere, Ruderman).

SCRep. 883 (Majority) Ways and Means on S.B. No. 704

The purpose and intent of this measure is to address concerns regarding electric vehicle parking.

More specifically, this measure:

- (1) Requires places of public accommodation to have one exclusive electric vehicle parking space per one hundred parking spaces available to the general public;
- (2) Requires the appropriate county authority with jurisdiction over planning and permitting to enforce the requirement listed in paragraph (1); and
- (3) Clarifies the electric vehicle parking fee exemption for metered and non-metered state or county parking stalls.

Your Committee received written comments in support of this measure from Blue Planet Foundation, Hawaii Clean Energy Initiative, Hawaii Electric Vehicle Network, Ulupono Initiative, and two individuals. The Department of Business, Economic Development, and Tourism and the Stadium Authority submitted written comments on the measure.

Your Committee finds that electric cars make up an increasing share of the motor vehicles in Hawaii. In 2014, three percent of the new cars sold in Hawaii were electric cars. Additionally, the State has an interest in promoting the growth of the electric vehicle market. Having more electric vehicles on the roads in Hawaii creates greater sustainability by reducing the number of vehicles using fossil fuels. An increase in electric vehicles in Hawaii also promotes long-term economic stability by reducing the amount of fossil fuels that need to be shipped to Hawaii for non-electric vehicles.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion and to address any implementation concerns raised by impacted agencies as this measure moves forward.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 704, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 704, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 884 (Majority) Ways and Means on S.B. No. 1155

The purpose and intent of this measure is to more efficiently allocate the resources of Hawaii's creative media industry.

More specifically, this measure:

- (1) Transfers the state responsibilities for television and film development from the Department of Business, Economic Development, and Tourism to the Hawaii Tourism Authority, and makes conforming amendments;
- (2) Assigns to the Hawaii Tourism Authority the responsibilities for film, television, digital, and new media development; and
- (3) Establishes and appropriates funds from the film, television, digital, and new media development special fund to the Hawaii Tourism Authority for implementation of the film, television, digital, and new media development activities.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committee received written comments in opposition to this measure from SAG-AFTRA Hawaii Local, I.A.T.S.E. Local 665, and the American Federation of Musicians' Local 677. Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that it would be more appropriate to assign to the Hawaii Tourism Authority the responsibilities for film development and marketing, rather than film, television, digital, and new media development. Your Committee further finds that the Department of Business, Economic Development, and Tourism should retain its Creative Industries Division.

Your Committee notes that concerns have been raised regarding the operation of a film office in a tourism-focused entity like the Hawaii Tourism Authority. Your Committee understands that, while film and tourism do complement each other in some ways, they are very distinct and separate engines that influence our local economy, particularly when it comes to marketing messages. Your Committee also notes that an option to address these concerns would be to revitalize the Hawaii Television and Film Development Board, as the Board could act as a bridge between the two industries.

Your Committee has amended this measure by:

- (1) Assigning to the Hawaii Tourism Authority the responsibilities for film development and marketing, rather than film, television, digital, and new media development;
- (2) Clarifying the purpose section to specify that this measure is intended to transfer the Film Industry Branch of the Creative Industries Division of the Department of Business, Economic Development, and Tourism to the Hawaii Tourism Authority;
- (3) Amending:
 - (A) The name of the special fund established by this measure to the "film development and marketing special fund"; and
 - (B) The purpose of the appropriation to the implementation of film development and marketing activities;
- (4) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

Your Committee on Economic Development and Technology has given its prior concurrence to these amendments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1155, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1155, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Chun Oakland, English). Noes, 1 (Dela Cruz). Excused, 1 (Ruderman).

SCRep. 885 Ways and Means on S.B. No. 158

The purpose and intent of this measure is to require the six-year program and financial plan and budget to include information on pension and other post-employment benefits liabilities.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the present and future costs of pension and other post-employment benefits have become a significant part of the State's operating budget and accordingly should be highlighted in state budget documents to promote transparency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 158, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Riviere).

SCRep. 886 Ways and Means on S.B. No. 841

The purpose and intent of this measure is to improve the delivery of school health services by establishing an interagency working group to create a comprehensive school health program.

Your Committee received written comments in support of this measure from the Special Education Advisory Council, Hawaii Primary Care Association, Hawaii Public Health Institute, and three individuals. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that Act 51, Session Laws of Hawaii 2004, sought to reform public education in Hawaii, in part, by establishing an interagency working group to develop plans for transferring rights, powers, and resources from other state departments to the Department of Education. This interagency working group ceased to exist on June 30, 2007, but some issues were not fully resolved and others have arisen since then. Your Committee believes the establishment of a new interagency working group regarding school health services will help to address these issues.

Your Committee further finds that there are additional considerations and issues to include in the comprehensive school health program. Accordingly, your Committee has amended this measure by requiring the interagency working group to examine:

- (1) School community-based health programs, possible federal reimbursements, and public-private partnerships in regards to the development of a school health program infrastructure;
- (2) The transfer from the Department of Health to the Department of Education of public health nurses, including supervisory and career pathway issues, rather than the transfer of health aides;
- (3) The possible expansion of the type of health care workers in schools, complexes, or complex areas, including advanced practice registered nurses, mental health counselors, and advanced health aides with additional certifications; and

- (4) Any projected cost estimates and resource requirements, as well as phase-in options for the implementation of the comprehensive school health program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 841, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 841, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 887 Ways and Means on S.B. No. 1374

The purpose and intent of this measure is to allow the State to investigate and take other actions toward acquiring agricultural land.

Specifically, this measure:

- (1) Appropriates \$200,000 from the land conservation fund for the Department of Land and Natural Resources to investigate options, including a land exchange, to acquire conservation district lands owned by Dole Food Company, Inc., that are suitable for watershed management;
- (2) Appropriates \$400,000 from the general fund for the Agribusiness Development Corporation to investigate options, including a land exchange, to acquire lands in Central Oahu that are owned by Dole Food Company, Inc., and suitable for long-term diversified agricultural production;
- (3) Appropriates an unspecified amount to investigate the possibility of a land exchange between the Department of Public Safety and the Department of Agriculture and how that exchange may assist in acquiring agricultural lands owned by the Dole Food Company, Inc.; and
- (4) Requires the Department of Land and Natural Resources, Department of Public Safety, Department of Agriculture, and Agribusiness Development Corporation to submit a consolidated report to the Legislature on the feasibility of the various land exchanges and the appropriations, legislation, or administrative action required to acquire the agricultural lands owned by Dole Food Company, Inc.

Your Committee received written comments in support of this measure from the Department of Agriculture, Chamber of Commerce Hawaii, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Agriculture Research Center, Hawaii Aquaculture & Aquaponics Association, Agribusiness Development Corporation, Larry Jefts Farms LLC, and three concerned individuals. Your Committee received written comments on this measure from the Department of Land Natural Resources, Office of Hawaiian Affairs, and The Trust for Public Land.

Your Committee finds that Hawaii faces a shortage of high-value agricultural land and that the State should ensure existing agricultural lands remain available for farming. For many farmers, urban sprawl has driven the price of agricultural land beyond what they can afford. Your Committee believes this measure takes meaningful steps toward state acquisition of large parcels of high-quality agricultural land on Oahu. These parcels can in turn be leased to farmers at affordable and predictable lease rental rates to help increase Hawaii's self-sufficiency, sustainability, and food security.

Your Committee has amended this measure by:

- (1) Removing all substantive provisions of this measure by deleting sections 2 through 6;
- (2) Requiring the Governor or the Governor's designee to:
 - (A) Investigate the possibility of acquiring lands that are owned by Dole Food Company, Inc., and suitable for long-term diversified agricultural production, including consideration of a land exchange;
 - (B) Negotiate and, as appropriate, facilitate land exchanges with Dole Food Company, Inc., in accordance with chapter 171, Hawaii Revised Statutes;
 - (C) Coordinate with the Agribusiness Development Corporation, the Department of Agriculture, the Department of Land and Natural Resources, and any other state department or agency that holds title or an assignment to an appropriate parcel of land to exchange; and
 - (D) Submit a report to the Legislature on the feasibility of a land exchange and any appropriation, legislation, or administrative action necessary to accomplish the exchange;
- (3) Requiring that title to any lands that the State acquires through an exchange with Dole Foods, Inc., be transferred to the Agribusiness Development Corporation; and
- (4) Appropriating \$400,000 from the Hawaii agriculture development revolving fund for investigation and appraisal costs related to the acquisition of lands owned by Dole Food Company, Inc.

Your Committee notes that pursuant to section 171-50, Hawaii Revised Statutes, any land exchange will require approval from the Legislature, and accordingly, the Governor and the Agribusiness Development Corporation are required to return to the Legislature for approval of any specific land exchange. Your Committee further notes that this measure is not intended to be considered prior legislative approval of any land exchange involving property owned by Dole Food Company, Inc.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1374, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1374, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 888 (Majority) Ways and Means on S.B. No. 791

The purpose and intent of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism diagnosis and treatment, as part of a health insurance or health plan contract issued after January 1 of an unspecified year.

Your Committee received written comments in support of this measure from the Department of Health, the State Council on Developmental Disabilities, the Special Education Advisory Council, the Autism Behavior Consulting Group Clinic, the Hawaii Chapter-American Physical Therapy Association, the Hawaii Psychological Association, Kaiser Permanente Hawaii, Easter Seals Hawaii, and fifty individuals. Written comments on this measure were received from the Department of Commerce and Consumer Affairs, Autism Society Hawaii, Autism Speaks, The Chamber of Commerce of Hawaii, Hawaii Association for Behavior Analysis (HABA), Hawaii Disability Rights Center, Hawaii Medical Service Association (HMSA), and the American Council of Life Insurers.

Your Committee finds that when treatment is provided early in the life of a child with autism, the child's need for long-term services and supports may be decreased or minimized as the child becomes an adult. Requiring health insurers, mutual benefit societies, and health maintenance organizations that offer policies or plans in the State to provide coverage for such services will result in lower long-term treatment costs and increase an autistic child's chances of reaching the child's full developmental potential.

Your Committee notes that the provisos in the measure that require the maximum benefit limits to be "evidence-based" are ambiguous, because they could be construed to mean that the maximum benefit limits may be superseded by another "limit" that is "evidence-based." Accordingly, your Committee expresses its hope that as this measure crosses over to the House of Representatives, the subsequent Standing Committees that deliberate upon this measure will consider and resolve the ambiguity.

At the request of your Committee on Health, your Committee has amended this measure by clarifying that the maximum benefit limits apply only to applied behavioral analysis. Your Committee notes that it has acceded to this request in order to obtain prior concurrence and enable further discussion on this measure. Your Committee intends to give more consideration to the impact of the amendment as this measure moves through the legislative process.

Your Committee has also amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 791, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 791, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 889 (Majority) Ways and Means on S.B. No. 1028

The purpose and intent of this measure is to authorize the Hawaii Health Connector to expand the services it offers and to provide for its self-sustainability.

More specifically, this measure:

- (1) Authorizes the Hawaii Health Connector to issue debentures;
- (2) Establishes the Hawaii Health Connector Debenture Guarantee Trust Fund to serve as the reserve for the debentures;
- (3) Appropriates general funds into the trust fund;
- (4) Expands the role of the Hawaii Health Connector to include servicing non-qualified health plans of employers and employees; and
- (5) Defines "qualified health plans" and establishes requirements for their certification.

Your Committee received written comments in support of this measure from Hawaii Primary Care Association and one individual. Written comments in opposition to this measure were received from HMSA, The Chamber of Commerce Hawaii, and the Hawaii Hurricane Relief Fund. Written comments on the measure were received from the Department of Commerce and Consumer Affairs and the Department of the Attorney General.

Your Committee finds that the Hawaii Health Connector is capable of providing additional services to the community through the expanded use of its business model and technologies. However, the Attorney General expressed concern that the federal Patient Protection and Affordable Care Act prohibits the Hawaii Health Connector from offering non-qualified health plans to consumers, as currently authorized by this measure. Your Committee notes that as this measure is considered by the House of Representatives, the proponents of this measure should work to address the concerns raised by the Attorney General in written comments your Committee received regarding this measure.

Your Committee further notes the concerns raised by the Hawaii Hurricane Relief Fund (HHRF) regarding the use of the HHRF to guarantee the debentures authorized by this measure. These concerns include the propriety of using moneys administered by HHRF, a state agency, to finance the activities of the Hawaii Health Connector, a private nonprofit entity, and the lack of HHRF resources to oversee the debentures under this measure. Your Committee believes that the emergency and budget reserve fund is the appropriate fund to guarantee the debentures authorized by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Providing that each qualified health plan shall meet the requirements of an essential community provider under title 45 Code of Federal Regulations section 156.235;
- (2) Deleting provisions relating to the Hawaii Health Connector not compensating agents or brokers that sell non-qualified health plans through the Connector;
- (3) Deleting reference to the HHRF and instead authorizing the Director of Finance to use the emergency and budget reserve fund to guarantee, approve, and oversee the issuance of debentures by the Hawaii Health Connector;
- (4) Amending the enabling statute for the emergency and budget reserve fund to authorize appropriations for guaranteeing, approving, and overseeing the issuance of those debentures; and
- (5) Changing the source of the appropriation into the Hawaii health connector debenture guarantee trust fund from the general fund to the emergency and budget reserve fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1028, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1028, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Chun Oakland, Ruderman).

SCRep. 890 Ways and Means on S.B. No. 113

The purpose and intent of this measure is to appropriate moneys for the implementation and administration of the Hawaii state loan repayment program for primary and behavioral health care.

Your Committee received written comments in support of this measure from the University of Hawaii, the Department of Public Safety, Hawaii Medical Association, Lanai Community Health Center, National Kidney Foundation of Hawaii, The Queen's Health Systems, and thirty-one individuals.

Your Committee finds that many residents in Hawaii are unable to obtain timely and appropriate health care due to a shortage of primary care and behavioral health providers. Your Committee also finds that many individuals attempting to become health care professionals take on a significant amount of debt to pay for their education. The Hawaii health corps program provides student loan repayment to health care providers who serve in counties with a shortage of providers. The loan repayment program is meant to encourage providers to serve in underserved areas of the State, and since September 1, 2012, a total of sixteen physicians and nurse practitioners have received loan repayments as part of this program.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation to an unspecified sum; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 113, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 113, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 891 Ways and Means on S.B. No. 1117

The purpose and intent of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation.

Your Committee received written comments in support of this measure from the Hawaii Health Systems Corporation, East Hawaii Region of the Hawaii Health Systems Corporation, Hawaii Government Employees Association, Hilo Medical Center Foundation, and one individual.

Your Committee finds that a significant funding deficit has forced the Hawaii Health Systems Corporation to close Maui Memorial Medical Center's adolescent psychiatry unit, begin eliminating one hundred nine vacant positions and thirty-three filled positions, freeze hiring, and aggressively pursue attrition savings. The Hawaii Health Systems Corporation has been forced during fiscal year 2015 to absorb approximately \$48,000,000 in unfunded collective bargaining raises that were negotiated by the Administration on the Corporation's behalf.

Your Committee further finds that an emergency appropriation for the Hawaii Health Systems Corporation is necessary to maintain a stable statewide health care system that is relied upon by residents and visitors of the State.

Your Committee has amended this measure by changing the appropriation amount from \$24,000,000 to \$15,000,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1117, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1117, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 892 (Majority) Ways and Means on S.B. No. 638

The purpose and intent of this measure is to authorize graduate students employed by the University of Hawaii to organize for the purpose of collective bargaining.

Specifically, this measure exempts graduate students from the student help that are not authorized to be included in any appropriate public employees collective bargaining unit.

Your Committee received written comments in support of this measure from the University of Hawaii Professional Assembly, Hawaii Government Employees Association, Hawaii State AFL-CIO, University of Hawaii at Manoa Graduate Student Organization, and sixteen individuals. Your Committee received written comments in opposition to this measure from the Department of Budget and Finance and the University of Hawaii. The Department of the Attorney General and Office of Collective Bargaining submitted written comments on this measure.

Your Committee finds that graduate students are a critical component of the University of Hawaii, serving as teaching assistants for undergraduate classes and research assistants for research projects. However, graduate students report that the pay for these positions is barely enough to cover living expenses and that they are not afforded the most basic benefits of sick or vacation leave. Your Committee believes that establishing collective bargaining unit (15) for graduate student assistants employed by the University of Hawaii will help to improve the pay and employment benefits of graduate students.

Your Committee further believes that establishing a working group to consider and recommend to the Legislature the appropriate salary scales, wage levels, benefits, hours of employment, and other rights and privileges of individuals in bargaining unit (15) will enable a balanced approach to authorizing graduate students to organize for the purpose of collective bargaining. Your Committee finds that such an evaluation is necessary because graduate student assistants are a unique class of employees. They are not career or full-time employees for whom the full range of collective bargaining rights and privileges may be appropriate.

Your Committee has amended this measure by:

- (1) Establishing graduate students employed by the University of Hawaii as collective bargaining unit (15), effective December 31, 2016;
- (2) Requiring the Director of Human Resources Development to convene the collective bargaining unit (15) working group to consider and make recommendations for specific rights and privileges that should be provided to graduate student assistants in prospective collective bargaining unit (15), including a recommendation on whether the bargaining unit should be subject to binding arbitration or given the right to strike;
- (3) Requiring the collective bargaining unit (15) working group to submit a report to the Legislature before the 2016 Regular Session on its findings, recommendations, and proposed legislation, if any, regarding the appropriate rights and privileges that should be provided to individuals in collective bargaining unit (15); and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 638, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 638, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 893 Ways and Means on S.B. No. 1037

The purpose and intent of this measure is to require the Department of Health to establish a mandatory disclosure program for all persons or entities that use pesticides under certain circumstances.

Your Committee received written comments in support of this measure from a Kauai County Councilmember, a Maui County Councilmember, Hawaii Island School Garden Network, Babes Against Biotech, Planned Parenthood of Hawaii, Surfrider Foundation, EcoTipping Points, Pesticide Action Network-North America, American Academy of Pediatrics Hawaii Chapter, and one hundred two individuals. Your Committee received written comments in opposition to this measure from Hawaii Cattlemen's Council, Maui County Farm Bureau, Hawaii Farm Bureau, Monsanto, CropLife America, Dow Agro Sciences, Molokai Chamber of Commerce, Larry Jefts, LLC, Hawaii Crop Improvement Association, Western Plant Health Association, Hawaii Farmers and Ranchers United, DuPont Pioneer, Maui Cattlemen's Association, and two hundred thirty-three individuals. The Department of Health, the Department of Agriculture, and Alexander and Baldwin submitted written comments on this measure.

Your Committee finds that Hawaii's economy relies heavily on agriculture, and due to our year-round growing climate, pesticides have traditionally been used to control disease and insect infestation.

Your Committee understands the public's desire to know where pesticides are being used and recognizes that there is a need to identify the most effective implementing agency to fulfill this desire. To address these issues, your Committee has taken the course of action to provide additional resources to the Department of Agriculture to provide education and enforcement, and has amended this measure by:

- (1) Establishing the program under the authority of the Department of Agriculture, rather than under the Department of Health;
- (2) Applying the pesticide disclosure requirements to all persons or entities that cultivate crops rather than only to those who cultivate crops on two hundred or more acres within a single county;
- (3) Deleting the requirement to include the field number in the pesticide use report;

- (4) Adding a definition for “crops” to section 149A-2, Hawaii Revised Statutes, and deleting all other definitions in the measure, since those terms are already defined in section 149A-2;
- (5) Increasing the balance ceiling on the pesticide use revolving fund to \$500,000; and
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee respectfully suggests that as this measure moves forward, subsequent Committees hearing the measure consider whether required rulemaking should be included as part of the program relating to disclosure of pesticide use.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1037, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1037, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 894 Ways and Means on S.B. No. 1221

The purpose and intent of this measure is to require the Department of Education to provide care for students with diabetes during school and school-related activities.

More specifically, this measure:

- (1) Requires that a minimum of three school employees or qualified volunteers be trained in order to provide care for students with diabetes, if a student with diabetes is enrolled in that school;
- (2) Requires a parent or a guardian of a student with diabetes to submit a diabetes medical management plan to be implemented by the school;
- (3) Requires a school to ensure that a student who has submitted a diabetes medical management plan receives the appropriate diabetes care specified in the plan, when at school or a school-related activity;
- (4) Ensures that a student with diabetes may attend any school the student would otherwise be able to attend if the student did not have diabetes;
- (5) Authorizes a student, upon written request of the student’s parent or guardian, to perform required care in accordance with the student’s diabetes medical management plan;
- (6) Requires each school that has at least one student with diabetes enrolled to provide to the Department of Education a report regarding compliance with students’ diabetes medical management and requires that the Department publish the reports on its website; and
- (7) Establishes an administrative review process for an alleged failure of a school to comply with these requirements.

Your Committee received written comments in support of this measure from the American Diabetes Association, American Academy of Pediatrics, and thirty-nine individuals. Your Committee received written comments on this measure from the Department of Education and the State Public Charter School Commission.

Your Committee finds that the number of students diagnosed with diabetes who attend public schools in Hawaii is increasing. Because diabetes must be managed twenty-four hours a day, it often interferes with a student’s participation in school. Further, because diabetes management is critical throughout the school day, your Committee finds that trained personnel are needed at schools to assist students with diabetes management to ensure these students have the same access to educational opportunities as other students in Hawaii.

Your Committee notes the Department of Education’s concerns regarding implementation of this measure. Your Committee requests that, as this measure moves forward, the Department provide the relevant Standing Committees with cost estimates to effectuate this measure, as well as information on the capacity impact the measure would pose on schools, personnel, and affected service providers.

Your Committee is acutely aware of the importance of protecting the privacy of students’ medical and personal information. Your Committee notes that requiring a report from each school in which a student with diabetes is enrolled may raise confidentiality concerns. Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Education to submit an annual district-wide report to the Legislature and Governor as to the overall compliance with this statute and any challenges faced or additional resources required to effectuate its provisions, rather than publish a report from each school;
- (2) Making an appropriation of an unspecified amount for the Department of Education to effectuate this measure;
- (3) Making an appropriation of an unspecified amount for the Department of Health to effectuate this measure; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1221, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1221, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 895 Ways and Means on S.B. No. 846

The purpose and intent of this measure is to provide a safe learning environment for students with anaphylaxis by authorizing trained volunteers to administer auto-injectable epinephrine in an emergency situation.

Your Committee received written comments in support of this measure from the American Diabetes Association, Walgreens, and two individuals. Your Committee received written comments in opposition to this measure from one individual. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that anaphylaxis is a life threatening allergic reaction that can occur when susceptible persons are exposed to an allergen. Your Committee believes that the availability of auto-injectable epinephrine can be lifesaving to a person with anaphylaxis in an emergency situation. Your Committee further finds that training school personnel or agents who volunteer to administer auto-injectable epinephrine may save a student's life during an emergency, and current models of best practice require that a student's auto-injectable epinephrine supplies be in a secure and accessible location.

However, your Committee finds that the Department of Education, in implementing this measure, should not be subjected to the potential conflicts and issues that may accompany the donation of medical supplies from private companies.

Accordingly, your Committee has amended this measure by deleting language authorizing the Department of Education to obtain auto-injectable epinephrine supplies from auto-injectable epinephrine manufacturers or suppliers.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 846, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 846, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 896 Ways and Means on S.B. No. 897

The purpose and intent of this measure is to support the rehabilitation and environmental restoration of the Kaho'olawe Island Reserve.

Specifically, the measure:

- (1) Authorizes the use of the Kaho'olawe Island Reserve for limited commercial activities, as permitted by the Kaho'olawe Island Reserve Commission; and
- (2) Appropriates \$6,000,000 for the management, restoration, and preservation of the Kaho'olawe Island Reserve.

Your Committee received written comments in support of this measure from the Mayor of the County of Maui, the Department of Planning of the County of Maui, the Kaho'olawe Island Reserve Commission, and eighteen individuals. Your Committee received written comments in opposition to this measure from the Protect Kaho'olawe 'Ohana, the Center for Hawaiian Sovereignty Studies, and three individuals. Two individuals provided written comments on the measure.

Your Committee finds that the Kaho'olawe Island Reserve Commission is primarily funded by the Kaho'olawe rehabilitation trust fund that was created during the federal cleanup of unexploded ordnance on Kaho'olawe. Your Committee further finds that a 2013 report by the Office of the Auditor found that the Kaho'olawe rehabilitation trust fund will be depleted by 2016. Your Committee believes that this measure will provide necessary funding to enable the Kaho'olawe Island Reserve Commission to continue its management of the Kaho'olawe Island Reserve beyond the 2015-2016 fiscal year.

Your Committee has amended this measure by:

- (1) Replacing the language that repeals the strict prohibition on the use of the Island Reserve for commercial activity, by allowing limited commercial activities as permitted by the Commission, with language that instead authorizes the use of the Island Reserve for limited revenue-generating activities, as permitted by the Commission, to support the rehabilitation and environmental restoration of the Island Reserve;
- (2) Requiring the Kaho'olawe Island Reserve Commission to submit a financial self-sufficiency and sustainability plan to the Legislature prior to the Regular Session of 2016;
- (3) Making conforming amendments to the purpose section to reflect amendments made to the substantive provisions of the measure;
- (4) Changing the appropriation from \$6,000,000 to an unspecified amount; and
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee intends that the Commission consider engaging in limited revenue-generating activities at its Kihei properties as well as within the Kaho'olawe Island Reserve.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 897, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 897, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Slom).

SCRep. 897 Ways and Means on S.B. No. 1090

The purpose and intent of this measure is to require, rather than permit, the Employees' Retirement System to collect information from government agencies in a required format and to penalize agencies for failure to provide the required information.

Your Committee received written comments in support of this measure from the Employees' Retirement System. Written comments on this measure were submitted by the Department of Education and the City and County of Honolulu.

Your Committee finds that this measure will enable the Employees' Retirement System to more expediently collect and process member information, thereby facilitating the prompt payment of retirement benefits to government retirants and their beneficiaries.

Your Committee notes that it expects the State and counties to achieve full compliance with this measure by 2020.

Your Committee has amended this measure by:

- (1) Clarifying that penalties attach to the failure to provide the required information in the required format;
- (2) Requiring the Employees' Retirement System to submit reports to the Legislature on the progress of state and county departments and agencies in complying with this measure. The reports shall be submitted before the convening of the 2016, 2017, 2018, 2019, and 2020 Regular Sessions; and
- (3) Making the effective date July 1, 2020, for all provisions, except for the reporting requirements imposed on the Employees' Retirement System, which is the date by which all agencies will be required to comply with this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1090, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1090, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kouchi).

SCRep. 898 (Majority) Ways and Means on S.B. No. 19

The purpose and intent of this measure is to address the county surcharge on state tax and transportation projects funded by the surcharge.

More specifically, this measure:

- (1) Diverts half of the ten percent administrative fee collected by the State to transit-oriented development projects;
- (2) Extends the ability of other counties to adopt a county surcharge on state tax to an unspecified date;
- (3) Extends the sunset date of the county surcharge on state tax to December 31, 2047;
- (4) Requires the Honolulu Authority for Rapid Transportation to complete the entire rail transit project by December 31, 2047, including extensions of the project to Ala Moana Center, the University of Hawaii at Manoa, and downtown Kapolei;
- (5) Requires buildings of each rail transit station to be physically connected, except for the Honolulu International Airport and Pearl Harbor rail stations;
- (6) Requires the City and County of Honolulu to plan transit-oriented development to accommodate anticipated population growth; and
- (7) Requires the Auditor to conduct a financial and management audit of the Honolulu Authority for Rapid Transportation and its rail transit project.

Your Committee received testimony in support of this measure from the Office of the Mayor of the City and County of Honolulu, Office of the Mayor of the County of Kauai, two members of the Honolulu City Council, two members of the Kauai County Council, The Chamber of Commerce of Hawaii, Faith Action for Community Equity, General Contractors Association of Hawaii, Hawaii Construction Alliance, Hawaii Government Employees Association, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Operating Engineers Industry Stabilization Fund, Hawaii Regional Council of Carpenters, Hawaii State AFL-CIO, Honolulu Authority for Rapid Transportation, International Brotherhood of Electrical Workers Local Union 1186, Land Use Research Foundation of Hawaii, United Public Workers, West Oahu Economic Development Association, and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association of Realtors and fifty individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Taxation, a member of the Kauai County Council, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, and two individuals.

Your Committee finds that Act 247, Session Laws of Hawaii 2005, authorized the counties to adopt a county surcharge on state general excise and use taxes to be effective until December 31, 2022. In counties with a population of greater than five hundred thousand, the surcharge would be used to provide a funding source for the operating or capital costs of a locally preferred alternative for a mass transit project, while in other counties, the surcharge would be used for public transportation. In accordance with Act 247, Session Laws of Hawaii 2005, the City and County of Honolulu was the only county to adopt a surcharge on state tax. The City and County of Honolulu subsequently established the Honolulu Authority for Rapid Transportation to oversee a rail transit project.

Your Committee also finds that the rail transit project of the Honolulu Authority for Rapid Transit (HART) has experienced significant financial difficulties that will result in a projected deficit of over \$869 million if no extension is granted and is calling into question the ability for them to complete the project on time. In discussions with HART, your Committee determined that if the end goal was to finish what had been started, in terms of the Full Funding Grant Agreement with the federal government, a five year extension would be sufficient to both cover costs and provide for contingencies. Your Committee also determined that if there was

both the political and public will to seek out an extension to either the University of Hawaii at Manoa or Kapolei from the initial 20.1 mile transit line, the City and County of Honolulu would have both the legal authority and fiscal resources available to initiate the federal funding and environmental impact statement process.

Your Committee notes that HART is in the process of re-engineering rail designs, reducing borrowing costs, and seeking public-private partnership costs to address its perennial financial challenges. Your Committee further notes, however, continued concern over financial decisions that have been made in light of projected deficits, such as unanimous approval for a raise for HART's Executive Director and a general lack of oversight from both the HART Board, City Administration, and the Honolulu City Council to contain costs and manage contracts.

Your Committee recognizes its fiduciary responsibility to the taxpayers of Hawaii. As such, it strongly recommends that the Board of Directors of HART continue to initiate all possible cost reduction measures, including overhead and operations, and would strongly advise the City Administration and the Honolulu City Council to consider taking a more proactive oversight role.

Your Committee has amended this measure by:

- (1) Changing the sunset date of the county surcharge on state tax from December 31, 2047, to December 31, 2027;
- (2) Providing counties that have not established a county surcharge on state tax with the ability to adopt a county surcharge on state tax; provided that the county adopts an ordinance to establish the surcharge by December 31, 2015. If the ordinance is adopted, the surcharge will be levied from January 1, 2017, until December 31, 2027;
- (3) Requiring any county that has already adopted a county surcharge on state tax to adopt another ordinance and meet other requirements in order to extend its surcharge on state tax beyond December 31, 2022. If the ordinance is adopted, the surcharge will be extended from January 1, 2023, until December 31, 2027;
- (4) Deleting the provision diverting half of the ten percent administrative fee collected by the State to transit-oriented development projects;
- (5) Deleting the requirement that the Honolulu Authority for Rapid Transportation complete the entire rail transit project by December 31, 2047;
- (6) Deleting the requirement that the buildings of each rail transit station be physically connected;
- (7) Requiring the board of directors of the transit agency constructing the locally preferred alternative for a mass transit project that was established prior to the effective date of the measure to: conduct annual audits; submit annual reports to the Legislature and the Governor on transit-oriented development initiatives, management and financial performance, and status reports submitted to the federal government; and place audits and reports on the board's agenda and, in accordance with the sunshine law, take testimony on the audits and reports; and
- (8) Making technical nonsubstantive amendments for the purposes of consistency and clarity.

It is your Committee's intent that, in preparing the annual report to the Legislature and Governor required by this measure, the Honolulu Authority for Rapid Transportation should work with the Office of Planning and others to ensure that they are reflecting the Legislature's intent to achieve transit-oriented development integration with projected population growth and how each rail station will be integrated with surrounding buildings and structures.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 19, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 19, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Riviere, Slom). Excused, 1 (Ruderman).

SCRep. 899 Ways and Means on S.B. No. 887

The purpose and intent of this measure is to provide the High Technology Development Corporation with the authority to establish high technology parks and provide for a governance structure for each park.

Your Committee received written comments in support of this measure from the Department of Defense, Hawaii Pacific University, and the Chamber of Commerce Hawaii. Written comments on this measure were received from the High Technology Development Corporation.

Your Committee finds that this measure will strengthen the critical infrastructure, resilience, and safety of the State through increased broadband internet capabilities.

Your Committee, with the prior concurrence of the Committee on Economic Development and Technology, has amended this measure by deleting its provisions and adding new provisions that:

- (1) Amend the definition of "industrial park" under chapter 206M, Hawaii Revised Statutes, relating to the High Technology Development Corporation, to include broadband cable landing and connectivity infrastructure facility development;
- (2) Require the Board of Directors of the High Technology Development Corporation to establish advisory subcommittees for industrial parks with broadband cable landing and connectivity infrastructure facility; and
- (3) Require the Board of Directors to submit a report to the Legislature and the Governor in 2016 on the formation of the advisory subcommittees and their plans to develop industrial parks in conjunction with broadband cable landing and connectivity infrastructure facilities.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 887, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 887, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 900 Ways and Means on S.B. No. 1094

The purpose and intent of this measure is to update the State's insurance laws with regard to fees and costs, and to make a variety of regulatory housekeeping amendments.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the measure updates title 24 of the Hawaii Revised Statutes to:

- (1) Promote consistency in fees charged on all applications and services the Insurance Division provides to purchasing groups, foreign risk retention groups ("RRGs"), insurers subject to chapter 431, Hawaii Revised Statutes, fraternal benefit societies ("FBSs"), mutual benefit societies ("MBSSs"), health maintenance organizations ("HMOs"), and dental insurers;
- (2) Recover certain administrative costs associated with the applications process and services; and
- (3) Make other technical amendments for clarity and consistency.

Your Committee believes that this Administration measure will serve to maintain the quality of service provided by the Insurance Division.

Your Committee has amended this measure by:

- (1) Transferring the new language regarding the disposition of penalties imposed under sections 431K-9, 431K-10, and 432:2-703, Hawaii Revised Statutes, from the new sections being added to chapters 431K and 432:2 to sections 431K-9, 431K-10, and 432:2-703, respectively; and
- (2) Making other, various technical amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1094, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1094, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Ruderman).

SCRep. 901 Ways and Means on S.B. No. 165

The purpose and intent of this measure is to require the Department of Accounting and General Services to negotiate and process leases for state departments and agencies.

The measure also requires the Department of Accounting and General Services to facilitate facility agreements between the State and private investors for the sale of state facilities.

Your Committee received written comments in opposition to this measure from the Department of Transportation, Department of Land and Natural Resources, and University of Hawaii. The Department of Accounting and General Services provided written comments on the measure.

Your Committee finds that the Department of Accounting and General Services is currently authorized by law to assist any department or agency with leasing of office space. Your Committee further finds that an inventory of all leases of property between state agencies and private entities would assist the Legislature in establishing policies relating to state facilities.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the new section 26-6(b)(7), Hawaii Revised Statutes, which requires the Department of Accounting and General Services to negotiate and process leases for departments and agencies of the State;
- (2) Requiring the Department of Accounting and General Services to undertake lease buyback processing, rather than lease negotiation and lease processing, under the program of centralized engineering and office lease services;
- (3) Requiring the Department of Accounting and General Services to conduct an inventory of all leases of property between state agencies and private entities and report its results to the Legislature; and
- (4) Inserting a new section appropriating an unspecified amount for the Department of Accounting and General Services to perform the inventory.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 165, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 165, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 902 Ways and Means on S.B. No. 1008

The purpose and intent of this measure is to implement the recommendations of the increased food security and food self-sufficiency strategy.

More specifically, this measure:

- (1) Establishes the Agricultural Development and Food Resiliency Program within the Department of Agriculture;
- (2) Amends the State's general objectives and policies for the economy within the Hawaii State Plan to include increasing demand for, access to, and production of locally grown foods; and
- (3) Makes appropriations that support food security and self-sufficiency.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation, and one individual.

Your Committee finds that Hawaii is the most geographically isolated state in the country. Approximately ninety-two percent of the food consumed in Hawaii is imported from out-of-state. Your Committee also finds this is a vulnerability that places Hawaii's residents at risk of shortages in the event of a natural disaster or economic disruption. Increasing local food production by only ten percent could result in the creation of approximately two thousand three hundred jobs and the retention of millions of dollars in the local economy. Your Committee believes that increased local food growth and production will help Hawaii prepare for a natural disaster or other catastrophic event. Your Committee further finds that appropriating moneys into initiatives relating to food security and self-sufficiency will help decrease the State's reliance on imported food.

Your Committee believes that establishing quantitatively and qualitatively measurable goals are more likely to produce lasting change than general objectives and policies. Your Committee also believes that lasting change is more likely to result when there is a person or entity designated to produce change and provide oversight. For example, the renewable portfolio standards established in section 269-92, Hawaii Revised Statutes, are measurable standards that are overseen by an executive agency. These standards have helped the State move toward its renewable energy goals. Your Committee believes that, similarly, the State's attempts to move toward food security and self-sufficiency will be more effective if its goals are measurable and there is oversight by a designated entity.

Your Committee has amended this measure by:

- (1) Deleting the provisions that establish and appropriate moneys for the Agricultural Development and Food Resiliency Program;
- (2) Deleting the provisions from the Hawaii State Plan relating to increasing demand for locally grown foods;
- (3) Requiring the Department of Agriculture to establish a strategy to identify measurable goals for increased food security and self-sufficiency, including goals for increasing demand for locally grown foods, and report its findings to the 2016 Legislature to codify into law the statewide agricultural development and food resiliency strategy and goals; and
- (4) Changing the effective date from July 1, 2015, to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1008, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1008, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Inouye, Slom).

SCRep. 903 Judiciary and Labor on Gov. Msg. No. 513

Recommending that the Senate advise and consent to the nomination of the following:

ATTORNEY GENERAL OF THE DEPARTMENT OF THE ATTORNEY GENERAL

G.M. No. 513 DOUGLAS CHIN, for a term to expire 12-3-2018

Your Committee reviewed the personal history, resume, and statement submitted by the nominee and finds Douglas Chin to possess the requisite qualifications to be nominated as the Attorney General of the State of Hawaii.

Your Committee received testimony in support of the nomination of Mr. Chin from the Governor; Honorable Tulsi Gabbard, member of the United States House of Representatives for the State of Hawaii; Retired Chief Judge James S. Burns, Intermediate Court of Appeals; Retired Judge Victoria S. Marks, Circuit Court of the First Circuit; Department of Transportation; Department of Hawaiian Home Lands; Crime Victim Compensation Commission; Department of the Prosecuting Attorney, County of Maui; United Public Workers, AFSCME Local 646, AFL-CIO; The Sex Abuse Treatment Center; Chamber of Commerce Hawaii; Ko'olau Foundation; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Reserves, Inc.; and one hundred fifty-nine individuals. Testimony in opposition to the nomination of Mr. Chin was submitted by Ho'omana Pono, LLC and one individual. Comments were submitted by the Board of Directors of the Hawaii State Bar Association that the nominee was qualified based on that organization's internal criteria.

Mr. Chin graduated with honors and distinction and obtained his Bachelor of Arts degree in English from Stanford University. He later received his Doctorate of Jurisprudence from the William S. Richardson School of Law at the University of Hawaii at Manoa. Since 2013, he has served as a Managing Partner at Carlsmith Ball LLP, where he focused his practice in the areas of corporate operations and transactions, administrative law, civil litigation, government affairs, and mediation. He has represented developers, businesses, and individuals in land use, real property, and civil litigation matters and testified before and advocated on behalf of clients to public officials, including the Legislature and County Councils and various Commissions.

Mr. Chin has over ten years of service at the Department of the Prosecuting Attorney of the City and County of Honolulu where he served as a Deputy Prosecuting Attorney (1998-2004), First Deputy Prosecuting Attorney (2006-2010), and Acting Prosecuting Attorney for three months in 2010. As First Deputy Prosecuting Attorney, he had oversight of a law enforcement agency with two hundred fifty employees in six divisions, including one hundred six attorneys, with a \$20,000,000 operating budget. He also recruited and hired attorneys to serve at the Department of the Prosecuting Attorney of the City and County of Honolulu and coordinated training for all four county prosecuting attorney offices. He also conducted and prosecuted over forty jury trials, including murder and sex assault cases, and independently coordinated efforts between police officers, investigators, detectives, victim advocates, and medical teams through the stages of a case from charging to the final verdict. In 2002, Mr. Chin received the Department's internal "Top Gun" award for winning the most jury trials that year out of over one hundred attorneys at the Department.

In 2010, Mr. Chin was appointed as Managing Director of the City and County of Honolulu, where he was responsible for overseeing all twenty-three line agencies with approximately ten thousand employees and an operating budget of \$1,970,000,000 and a capital budget of over \$2,000,000,000. As Managing Director, he mediated major internal and external disputes involving the City and County of Honolulu in the areas of procurement, capital project management, permitting, sewage infrastructure, transportation and roads, emergency management, energy initiatives, and smart technology. He also served as the primary liaison between the Mayor and Honolulu City Council regarding legislative matters and was the spokesperson for the City Administration in the media as well as at public meetings. Of particular note, Mr. Chin planned and executed city operations during the Asia Pacific Economic Cooperation conference in 2011.

Mr. Chin is an active legal volunteer in the community. He currently serves as a mediator for the Mediation Center of the Pacific, on the Board of Managers for the YMCA of Honolulu, as pro bono Counsel for The Sex Abuse Treatment Center, on the Advisory Board for EAH Housing Hawaii, and as a Director of the American Judicature Society in Hawaii.

Testimony in support of Mr. Chin's nomination indicates that he possesses sound knowledge of the law, strong integrity, and deep understanding of government, administration, and law enforcement agencies. His experience with the Department of the Prosecuting Attorney of the City and County of Honolulu and later as Managing Director for the City and County of Honolulu exemplify his hard work and dedication to public service. He has demonstrated the capacity to manage a large office and to quickly understand complex legal issues and to effectively address and resolve these issues. All of these traits and qualities will allow him to be a successful Attorney General.

Your Committee finds that Mr. Chin has the ability, character, and skills to serve as the Attorney General of the State of Hawaii. He understands and will be committed to carrying out the responsibilities and duties of the Attorney General in representing the interests of the people of the State of Hawaii and providing advice and counsel to all three branches of government.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 904 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. No. 516

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY

G.M. No. 516 NOLAN ESPINDA, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Nolan Espinda to possess the requisite qualifications to be nominated as the Director of Public Safety.

Your Committee received testimony in support of the nomination of Mr. Espinda from the Governor; United States Marshals Service, District of Hawaii; Department of Transportation; Hawaii Emergency Management Agency; Hawaii Paroling Authority; Department of Budget and Finance; Crime Victim Compensation Commission; Capitol Consultants of Hawaii, LLP; United Public Workers, AFSCME, Local 646, AFL-CIO; Pacific Resource Partnership; Hawaii Laborers-Employers Cooperation and Education Trust; Enterprise Honolulu; Hawaii Construction Alliance; Hawaii Primary Care Association; and seventy individuals. Your Committee received testimony in opposition to the nomination of Mr. Espinda from Ho'omana Pono, LLC, and one individual. Your Committee received comments on the nomination of Mr. Espinda from two individuals.

Upon review of the testimony, your Committee finds that Mr. Espinda's background, experience, and commitment to public service qualify him for appointment as the Director of Public Safety. Mr. Espinda has extensive experience in the public sector, having worked for the Department of Public Safety for thirty-two years. Following his graduation from California State University with a Bachelor of Arts in Political Science, he began his career as a Recreation Specialist at the Hawaii Youth Correctional Facility in 1983 and later served as Corrections Supervisor, Acting Corrections Manager, Office of the Institutions Division Administrator, and Managing ACO IV Warden at the Oahu Community Correctional Center. In 1994, Mr. Espinda received the Department of Public Safety's "Manager of the Year" award in recognition of his work. Since 2009, he has served as the Managing ACO IV Warden at Halawa Correctional Facility.

Mr. Espinda is admired and respected by his colleagues, as evidenced by the overwhelmingly positive testimony submitted on his behalf. Testimony in support of his nomination indicates that he has a proven track record of accountability and hands-on management, possesses sound knowledge of the correctional system, and possesses a deep understanding of the challenges facing the Department of Public Safety. Throughout his career, Mr. Espinda has demonstrated fiscal responsibility and an ability to establish solid working relationships. Since his January appointment as the Director of Public Safety, he has already been instrumental in successfully expanding and improving communications between the State's eight wardens and initiating positive change in addressing

institutional family visits. Mr. Espinda is described as an honest and fair leader with the intelligence, integrity, expertise, professionalism, and determination to lead the Department of Public Safety.

Your Committee finds that Mr. Espinda has excellent credentials and has demonstrated a high level of understanding of the State's public safety needs and how those needs can be met. His years of service to the State are an indication of his dedication to public service, and he has demonstrated excellent leadership skills. Mr. Espinda is exceptionally qualified to serve as the Director of Public Safety.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, none.

SCRep. 905 Human Services and Housing on S.C.R. No. 13

The purpose and intent of this measure is to determine the best practices for collecting, storing, and sharing data on homeless youth by requesting the Hawaii Interagency Council on Homelessness to convene a working group to address the issue.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Education, Hawaii Youth Services Network, Waikiki Health, Rainbow Family 808, Family Voices of Hawaii, Associated Students of Kalaheo, and two individuals.

Your Committee finds that unaccompanied runaway and homeless youth are the least recognized homeless population in Hawaii. Each year, outreach programs across the State encounter more than eight hundred youth who are living on the street without support from family or guardians. Your Committee further finds that empirical data on the number of homeless youth and the challenges they face is outdated and not useful in assessing the prevalence of homeless youth. Collecting empirical data on this population is critical to assisting the multiple state departments and community agencies working together to address the needs of Hawaii's homeless youth.

Your Committee has amended this measure by:

- (1) Inserting language to add representatives of the following groups to the working group: Hawaii Youth Services Network, Hale Kipa, Maui Youth and Family Services, Salvation Army Family Intervention Services, Hale Opio Kauai Inc., Waikiki Health, Family Support Hawaii, PHOCUSED, a currently homeless youth, and a formerly homeless youth; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 13, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 13, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 906 Human Services and Housing on S.C.R. No. 4

The purpose and intent of this measure is to recognize the fiftieth anniversary of the Older Americans Act by designating the month of May as "Older Americans Month" in Hawaii.

Your Committee received testimony in support of this measure from the Executive Office on Aging, Maui County Office on Aging, Lanakila Pacific, AARP Hawaii, Kokua Council for Senior Citizens, and Hawaii Alliance for Retired Americans.

Your Committee finds that 2015 is the fiftieth anniversary of Medicare, Medicaid, and the Older Americans Act of 1965, which are three of our nation's most important programs for older adults. Your Committee further finds that the Older Americans Act has been instrumental in delivering nutrition and social services to the nation's kupuna. The Act has also provided community service employment for low-income older Americans, training and research in the field of aging, and support for vulnerable elder rights protection. Finally, the Older Americans Act has supported Native Hawaiian culture by providing targeted programs and services for Native Hawaiian elders.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 4 and recommends that it be referred to the Committee on Higher Education and the Arts.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 907 Human Services and Housing on S.C.R. No. 8

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-655 Inoaole Street, Waimanalo, Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Office of Hawaiian Affairs and one individual.

Your Committee finds that section 171-64.7, Hawaii Revised Statutes, requires the prior approval of the Legislature by concurrent resolution to sell certain state lands in fee simple. The Hawaii Housing Finance and Development Corporation duly conducted a public informational briefing on the sale of this parcel, and no objection to the proposed sale was received at the public informational briefing.

Your Committee has amended this measure by:

- (1) Amending the address of the subject property to 41-665 Inoaole Street; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 8, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 8, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 908 Human Services and Housing on S.C.R. No. 10

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-543 Inoa Street, Waimanalo, Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that section 171-64.7, Hawaii Revised Statutes, requires the prior approval of the Legislature by concurrent resolution to sell certain state lands in fee simple. The Hawaii Housing Finance and Development Corporation duly conducted a public informational briefing on the sale of this parcel, and no objection to the proposed sale was received at the public informational briefing.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 10 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 909 Human Services and Housing on S.C.R. No. 11

The purpose and intent of this measure is to approve the sale of the leased fee interest in 95-944 Meheula Parkway, No. 153, Mililani, Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that section 171-64.7, Hawaii Revised Statutes, requires the prior approval of the Legislature by concurrent resolution to sell certain state lands in fee simple. The Hawaii Housing Finance and Development Corporation duly conducted a public informational briefing on the sale of this parcel, and no objection to the proposed sale was received at the public informational briefing.

Your Committee has amended this measure by:

- (1) Amending the address of the subject property to 94-944 Meheula Parkway, No. 153; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 11, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 910 Human Services and Housing on S.C.R. No. 12

The purpose and intent of this measure is to approve the sale of the leased fee interest in 95-015 Kuaahelani Avenue, No. 319, Mililani, Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that section 171-64.7, Hawaii Revised Statutes, requires the prior approval of the Legislature by concurrent resolution to sell certain state lands in fee simple. The Hawaii Housing Finance and Development Corporation duly conducted a public informational briefing on the sale of this parcel, and no objection to the proposed sale was received at the public informational briefing.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 12 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 911 Human Services and Housing on S.C.R. No. 9

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-575 Inoaole Street, Waimanalo, Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that section 171-64.7, Hawaii Revised Statutes, requires the prior approval of the Legislature by concurrent resolution to sell certain state lands in fee simple. The Hawaii Housing Finance and Development Corporation duly conducted a public informational briefing on the sale of this parcel, and no objection to the proposed sale was received at the public informational briefing.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 9 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 912 Judiciary and Labor on Gov. Msg. No. 536

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

G.M. No. 536 LEONARD HOSHIO, for a term to expire 12-3-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Leonard Hoshio to possess the requisite qualifications to be nominated as the Deputy Director of the Department of Labor and Industrial Relations.

Your Committee received testimony in support of the nomination of Mr. Hoshio from the Governor; Department of Labor and Industrial Relations; Department of Budget and Finance; Department of Transportation; University of Hawaii Professional Assembly; International Brotherhood of Electrical Workers, Local Union 1186, AFL-CIO; Hawaii Construction Alliance; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii State AFL-CIO; Hawaii State Teachers Association; International Longshore and Warehouse Union, Local 142; International Union of Bricklayers and Allied Craftworkers Local #1 of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; General Contractors Association of Hawaii; Marine Engineers' Beneficial Association, AFL-CIO; Hawaii Regional Council of Carpenters; Ralph S. Inouye Co., Ltd.; Automated HealthCare Solutions; Laborers' International Union of North America Local 368; Alexander & Baldwin, Inc.; Hawaiian Dredging Construction Company, Inc.; Screen Actors Guild – American Federation of Television and Radio Artists, Hawaii Local; Hawaii Operating Engineers Industry Stabilization Fund; and twenty-five individuals.

Mr. Hoshio obtained his Bachelor of Arts degree from Antioch College and a P.Ed. degree from the University of Hawaii. After college, he worked for the International Longshore and Warehouse Union (ILWU), Local 142, for twenty-six years. At the ILWU, he served in various positions, including as a Housing Representative, Organizer, International Representative, and International Vice President. He carried out an assortment of responsibilities, such as assisting working families and retirees with achieving affordable homeownership and developing rental housing for individuals who were unable to purchase a home; organizing workers for collective bargaining and engaging in reaching collective bargaining agreements; supporting state assistance for agricultural and tourism employers; taking part in educational programs for member volunteers; conducting contract negotiations; conducting internal democracy processes; and administering joint ILWU Local 142 and International union programs. Of particular note, during his tenure at ILWU, he spearheaded the development of six affordable rental housing projects statewide for low income seniors and families as well as the transformation of plantation housing to homeownership.

Mr. Hoshio currently serves as the Education and Political Director for the Hawaii Regional Council of Carpenters where he has been since 2001. As part of the central staff, his teamwork accomplishments include conducting member education programs on origins and services of the union and the importance of government in their livelihood and conducting research, internal governance and operational procedures, and contract administration. Of particular note, he participated in the successful contract negotiation for project labor agreements with military housing developers that privatized military housing to ensure that homes for Army, Navy, Marines, and Air Force families would be built efficiently for fifty years at area standard wages for construction workers.

Mr. Hoshio is involved in community activities by serving as a director or officer for various low income rental housing nonprofit corporations, including the Hawaii Housing Development Corporation, Jack Hall Kona Memorial Housing Corporation, Waipahu Jack Hall Memorial Housing Corporation, Ewa Housing Foundation, Kohala Union Housing Corporation, Ka'u Housing Corporation, and Jack Hall Hawaii Housing Corporation. He also serves as a member of the Labor Education Advisory Board of the University of Hawaii Center for Labor Education and Research as well as a director and officer for the Hawaii Labor Heritage Council.

Testifiers in support of the nominee indicate that Mr. Hoshio has worked collaboratively with employers, government officials, and community organizations. He analytically addresses issues by considering all points of view to find a common ground and acting accordingly. He has a firm working knowledge of the Department of Labor and Industrial Relations, which will be especially important as a new Director of Labor and Industrial Relations has yet to be nominated. He has the skills, knowledge, temperament, and experience to assist in leading the Department.

Your Committee finds that Mr. Hoshio is qualified to serve as the Deputy Director of the Department of Labor and Industrial Relations. He possesses the intelligence, knowledge, experience, and demeanor to be an effective Deputy Director.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 913 (Majority) Water and Land on Gov. Msg. No. 514

Recommending that the Senate not advise and consent to the nomination of the following:

CHAIRPERSON OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES

G.M. No. 514 CARLETON CHING, for a term to expire 12-31-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee, Carleton Ching, in consideration of his nomination for the position of the Chairperson of the Board of Land and Natural Resources.

INTRODUCTION

The advice and consent process is a constitutionally mandated responsibility. Your Committee undertook its responsibility seriously, especially as this process involves the confirming of an individual who will be appointed as the steward of the State's natural resources and responsible for ensuring that these resources will be preserved and sustained in perpetuity for the benefit of future generations.

Your Committee was aware that this nomination was attracting substantial public attention and opposition. Three days after the nomination was announced, a group of approximately twenty organizations issued a public request to the Governor to withdraw the nomination. In addition, an online petition to reject the nominee was circulated and had collected several thousand signatures within two weeks.

In its efforts to maintain a fair, balanced, transparent, and respectful confirmation hearing, your Committee followed an open process and planned agenda, which included posting notice of the confirmation hearing three weeks in advance, posting testimony from the nominee and from the public prior to the hearing, accepting written testimony throughout the course of the public hearing, establishing ground rules for public testimony to ensure that personal attacks or remarks were not made and focusing the process on the substantive issue of the nominee's qualifications for the position, and providing all members of the public, regardless of their position, a fair opportunity to present their testimony.

TESTIMONY

Your Committee received testimony overwhelmingly in opposition to the nomination. Organizations and individuals submitting written testimony in opposition numbered approximately 1,120, and in addition there was a petition with over 7,596 signatures opposing the nominee. Those submitting written testimony in support of the nominee numbered approximately 272 organizations and individuals.

Your Committee received testimony in support of the nominee from the Office of the Governor; Department of Transportation; Department of Agriculture; Department of Human Services; Department of Hawaiian Home Lands; Department of Human Resources Development; Department of Land and Natural Resources; Department of Budget and Finance; Office of Planning; Agribusiness Development Corporation; Aha Moku Advisory Committee; Building Industry Association of Hawaii; Gentry Homes, Ltd.; Honolulu Wood Treating; SSFM international; Ashford & Wriston, LLP; Bickerton Dang LLP; Enviro Services & Training Center LLC; Hidano Construction Inc; Lyon.US.Com; Matsubara-Kotake; Takushi Wong Lee & Yee; Ocean Tourism Coalition; Pacific Housing Assistance Corporation; Schlack Ito LLLC; Yamaguchi Inc; Yamamoto Caliboso LLLC; Imanaka Asato LLLC; Valley Isle Excursions Inc; Waioli Research Foundation Corp.; Hawaii Construction Alliance; Hawaii Hunting Association; General Contractors Association of Hawaii; Lanihau Properties, LLC; Masons' Union Local 1; Hawaii Fishermen's Alliance for Conservation and Tradition, Inc.; Stryker Weiner & Yokota; Hawaii Pacific Health; Royal Contracting Co., Ltd; Pali Momi Medical Center; Land Use Research Foundation of Hawaii; W.H. Shipman, Limited; William L. Moore Planning, Inc.; Activities & Attractions Association of Hawaii; Chamber of Commerce Hawaii; Enterprise Honolulu; Capitol Consultants of Hawaii, LLP; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Cattlemens Council; Aloun Farms Inc; Avalon Group; Hawaii Laborers Local 368; Castle & Cooke Hawaii; Hawaii Operating Engineers Industry Stabilization Fund; Hawaii Regional Council of Carpenters; Hawaii Reserves, Inc.; Waiahole Poi Factory; Sheet Metal Workers International Association; Title Guaranty Escrow Services Inc.; Maunaloa Hawaiian Civic Club; and numerous individuals.

Your Committee received testimony in opposition to the nominee from Americans for Democratic Action Hawaii; Atooi; Aqua Lung Pacific; Banyan Tree Farm; Big Island Native Plant Society; Citizens United for Lanai; Earth Lovers of Puna; FoL Book Club; Friends of Lana'i; Hawaii Farmers Union United, Kona Chapter; Hawaiian Sustainability Foundation; Ho'okipa Network – Kauai; Ho'omana Pono LLC; Hulumanu Foundation; Kapuna Farms LLC; Kauai Albatross Network; Kona Songbird Farm; Malama O Puna; Malu'aina; Mehana Consulting; Pacific Agricultural Land Management Systems; Sierra Club Hawaii Chapter; Steelgrass Farm; Student Sustainability Coalition of Hawaii; Kahea - The Hawaiian Environmental Alliance; Kailua Neighborhood Board; Loko Ia Consulting; Maui Tomorrow Foundation, Inc; Sierra Club Big Island; Adopt A Beach Hawaii; West Maui Preservation Association; Hui o Ko'olaupoko; Earthtrust; South Kohala Alliance; The Outdoor Circle; Aha Wahine; Hoi Mai Ka Lei I Mamao; Hawaii's Thousand Friends; AdvoCats Hawaii; Gay Lesbian Bisexual and Transgender Caucus of the Democratic Party of Hawaii; Society of Hawaiian Archaeology; Defend Oahu Coalition; Surfrider Foundation; Earthjustice; The Sierra Club; Conservation Council for Hawaii'i; Surfrider Foundation Oahu Chapter; 'Ilio'ulaokalani Coalition; Windward Ahupua'a Alliance; Progressive Democrats of Hawaii; Babes Against Biotech; Shaka Movement Hawaii; Hoomana Pono LLC; Save Manoa Valley; Protect Keopuka Ohana; Island Eyes Video; Kupa Aina Creations; and numerous individuals.

Your Committee received comments from the Office of Hawaiian Affairs, Hawaiian Affairs Caucus of the Democratic Party, Common Cause Hawaii, and nine individuals.

THE RESPONSIBILITY OF THE CHAIRPERSON OF THE BOARD OF LAND AND NATURAL RESOURCES

The Chairperson of the Board of Land and Natural Resources (BLNR) oversees the Department of Land and Natural Resources (DLNR), which, through recommendations to the BLNR as well as through its own administrative authorities, is tasked with the use and management of approximately 1.3 million acres of public lands under its jurisdiction (much of which are former Hawaiian Kingdom government and crown land).

In addition, the Chairperson of the BLNR oversees the staff of the Commission on Water Resources Management (CWRM), while also serving as the Chairperson of CWRM.

This individual oversees the regulation of all uses on both public and private lands within the conservation state land use district; the protection and appropriate management of our islands' critical and limited public trust water resources, including the aquifers and streams; the regulation and protection of cultural and historic resources on all public and private lands and in ocean waters, including the protection of iwi kūpuna and sacred historic sites; the regulation and protection of all natural resources on all public and private lands and in state ocean waters three miles out from land, including the Northwestern Hawaiian Islands; the promotion of aquifer recharge through watershed protection and restoration; and the management of state beaches, including the maintenance of lateral access to coastal areas and public access to watershed and mountain resources.

Notably, the BLNR/CWRM Chairperson is responsible for implementing distinct and specific constitutional trust obligations when carrying out its regulatory and management responsibilities, including: maintaining all ceded lands as a public trust for native Hawaiians and the general public; protecting all public natural resources held in trust for the benefit of present and future generations; protecting, controlling, and regulating the use of Hawaii's water resources for the benefit of the people; and protecting all traditional and customary practices possessed by native Hawaiians.¹

In addition, the Chairperson also serves as the State Historic Preservation Officer (SHPO), who is charged with administering the state historic preservation program, developing and implementing a comprehensive statewide historic preservation plan; is a member of the Kaho'olawe Island Reserve Commission, which manages the Kaho'olawe Island Reserve in trust for the future Native Hawaiian sovereign entity; is an ex officio, voting member of the Natural Area Reserves System Commission, which oversees the protection of native ecosystems; and has oversight over the Aha Moku Advisory Committee, which serves in an advisory capacity to the BLNR on issues related to land and natural resources management through indigenous place-based practices with moku or regional boundaries.

CARLETON CHING - BACKGROUND

Carleton Ching received a Bachelor of Business Administration degree from Boise State University and an Associate of Arts degree from Columbia Basin Community College. Mr. Ching is currently the Vice President, Community and Government Relations, for Castle & Cooke Hawaii.

Mr. Ching's position with Castle & Cooke Hawaii since 2003 involved lobbying, communications, and government relations on behalf of the company regarding the company's strategic planning, residential, commercial, agriculture, and resort operations; renewable energy operations; and developments on Oahu, Lanai, and the Island of Hawaii.

¹DLNR is charged with fulfilling the following obligations pursuant to the Hawaii State Constitution:

- (1) The public trust obligations pertaining to public lands pursuant to article XI, section 1, of the Hawaii State Constitution, which states:

Section 1. For the benefit of present and future generations, the State and its political subdivisions shall conserve and protect Hawaii's natural beauty and all natural resources, including land, water, air, minerals and energy sources, and shall promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of the self-sufficiency of the State.

All public natural resources are held in trust by the State for the benefit of the people.

- (2) The Native Hawaiian cultural obligations under article XII, section 7, which states:

Section 7. The State reaffirms and shall protect all rights, customarily and traditionally exercised for subsistence, cultural and religious purposes and possessed by ahupua'a tenants who are descendants of native Hawaiians who inhabited the Hawaiian Islands prior to 1778, subject to the right of the State to regulate such rights.

- (3) Water rights pursuant to article XI, section 7, of the Hawaii State Constitution, which states:

Section 7. The State has an obligation to protect, control and regulate the use of Hawaii's water resources for the benefit of its people.

The legislature shall provide for a water resources agency which, as provided by law, shall set overall water conservation, quality and use policies; define beneficial and reasonable uses; protect ground and surface water resources, watersheds and natural stream environments; establish criteria for water use priorities while assuring appurtenant rights and existing correlative and riparian uses and establish procedures for regulating all uses of Hawaii's water resources.

- (4) The Hawaiian Homestead Lands pursuant to article XII, section 4, which states:

Section 4. The lands granted to the State of Hawaii by Section 5(b) of the Admission Act and pursuant to Article XVI, Section 7, of the State Constitution, excluding therefrom lands defined as 'available lands' by Section 203 of the Hawaiian Homes Commission Act, 1920, as amended, shall be held by the State as a public trust for native Hawaiians and the general public.

Prior to 2003, Mr. Ching briefly served as Senior Project Manager at SSFM International; Project Manager/Operations at Molokai Ranch, Resort and Operations Division; Project Coordinator at Castle & Cooke Kunia; Vice President of Pheasant Ridge Corporation, WESTLOCH, INC.; Housing Specialist II (Development Project Coordinator) at the Hawaii Housing Authority; Account Executive at Tropic Shores Realty, Ltd.; and has been a private consultant.

The nominee is or has been an executive board member of the Land Use Research Foundation of Hawaii for nearly a decade in addition to serving on the Boards of Pali Momi Hospital; Pacific Housing Assistance Corporation; Hawaii Pacific University (Trustee); Building Industry Association; Chamber of Commerce – Infrastructure, Transportation, Quality of Life Committee; and Hawaii Business Roundtable, Legislative Advisory Group.

YOUR COMMITTEE'S CONCERNS

Your Committee was aware that one of the primary objections to the nominee was his lack of experience in natural, historic, and cultural resources management. In an effort to be fair to the nominee, your Committee held the confirmation hearing in mid-March, giving the nominee a month and a half to meet with the DLNR staff, organizations, and individuals in order to familiarize himself with the scope of the responsibilities of the DLNR, the nature of conservation and resource management, the state core values that the DLNR is charged with implementing, and the constitutional mandates of the DLNR.

The nominee did make a sincere effort to reach out to a wide variety of groups and individuals, including many who had objected to his nomination, and did spend a significant amount of time with DLNR staff.

Your Committee was concerned, however, that after all this time and meetings, the nominee did not bring forward a clear understanding of the DLNR's core values, or provide any vision for how he would approach the challenges of resource management. Neither was there any sign that he understood the administrative and regulatory processes the Chairperson is responsible for overseeing, which are the vehicles by which the DLNR ensures that the State meets its various public trust responsibilities.

In his opening remarks, the nominee merely repeated the DLNR's mission statement, which he summarized as the need to protect historic and cultural history and to do everything we can to protect our resources on public land.

However, when pressed on what he meant by those statements, the nominee struggled to find answers. The nominee repeatedly retreated into a response that he would simply comply with the law, follow the staff's recommendations, and implement the mission of the DLNR.

Your Committee then presented specific hypotheticals to the nominee in order to determine what factors he would use to make policy, regulatory, and administrative decisions that the Chairperson is charged with. Most of the nominee's responses reflected the perspective of a career spent advocating on behalf of private developers of land, and not of a person who understands or fully appreciates the stewardship of public trust responsibilities. A few examples include:

- (1) In his opening remarks, the nominee noted that the State needs to protect "assets" on public lands, while uses on private lands may be different. When asked about the DLNR's role in regulating uses on private lands, the nominee initially seemed surprised. His remarks focused on private landowners' right to put their property to highest and best use. When reminded about the restrictions on uses in the conservation district, which is under the exclusive jurisdiction of the DLNR, Mr. Ching replied the DLNR would comply with the law;
- (2) When asked what recommendation he would make to the Land Use Commission if a private landowner submitted a petition to shift land from the conservation district to the urban district in order to develop a resort in a coastal area, and the DLNR staff recommended keeping the land designation as conservation due to fragile coastal resources and traditional and cultural practices in the area, Mr. Ching said he would balance the competing needs for the land. The nominee did not express what that balance meant, and there was no mention of the value of the resources in their natural state, the constitutional rights of practitioners, or why he would disregard the recommendations of the staff in this case;
- (3) When asked how he would evaluate a development proposal in an area where only ten percent of native forest remained, again the nominee merely stated he would balance the landowner's request with the resource needs. No concern was expressed or even acknowledged by the nominee regarding Hawaii's rapidly disappearing native habitat, nor of the possibility that cumulative impacts of development may possibly result in placing a priority on the need to protect the resource rather than simply balancing the competing needs as equal when making some regulatory decisions;
- (4) When asked about eliminating some of the statutorily required development permits, the nominee supported these efforts as "streamlining". When the nominee was reminded that some of the permits were the vehicles by which the State ensured private developments did not eliminate native Hawaiian access for traditional and customary practices or the public right to access public beaches, he referred to these matters as "details"; and
- (5) Several times during the hearing, the nominee referred to land as "dirt" and the need to preserve Hawaii's "brand". While some may argue these terms are merely semantics, it is revealing that the nominee repeatedly used them during his nomination hearing, when one would expect a nominee to this position to express the need to malama 'aina and affirm a commitment to the native Hawaiian culture.

The lack of familiarity with the subject matter of the DLNR was not surprising, given that the nominee has no job experience in the subject, nor has he volunteered for any conservation or resource projects. What was surprising, however, was the nominee's argument as to why the Committee should not be concerned with this fact, which seemed to be that the Committee members should simply trust him to follow the mission of the DLNR.

A nomination to the position of Chairperson of the BLNR is too important to risk to an improbable candidate having no background in conservation, environmental protection, and historic preservation.

Your Committee did not get a convincing impression that the nominee has an understanding of the constitutional obligations and rights that make Hawaii unique. Many important day-to-day decisions that the Chairperson makes do not go before the BLNR or the

CWRM for a vote. These seemingly innocuous daily decisions can have an enormous impact on the public's rights and on Hawaii's natural, cultural, and historic resources in the short run as well as the long run.

Lastly, but in need of mentioning, is the fact that the nominee has spent approximately thirteen years working for Castle & Cooke, a company which owns a significant amount of land in Hawaii and is one of our State's largest local developers. Hawaii law currently does not have a "reverse conflict of interest" rule, meaning Mr. Ching would not legally be required to recuse himself were Castle & Cooke to appear before the BLNR or CWRM for any permit approval.

When asked whether he would voluntarily recuse himself from such a decision, the nominee initially evaded providing an answer, claiming he would rely on the advice of the Attorney General. When the conflict of interest law was explained to him again and he was pressed for an answer, the nominee declined to commit to any position.

There is no question that Castle & Cooke will have some interaction with the DLNR over the next four years. Indeed, given the nature of their land holdings and developments, it is likely that Castle & Cooke will interact with the DLNR multiple times during this period. While the conflict of interest laws are not the responsibility of the nominee, the Senate must be mindful of the public perception and resulting loss of trust in government that may arise should this nominee be placed in this position of land use regulatory oversight.

CONCLUSION

Your Committee believes that Mr. Ching is a man of integrity and honesty and would be well-suited for another position in the Governor's cabinet. Your Committee also believes that many of the people who oppose the nominee for this position would be avid supporters were he appointed to head an agency charged with developing workforce and affordable housing. Your Committee recognizes and appreciates that the nominee is willing to step away from a well-paid position in the private sector in order to serve his State.

Your Committee also notes for the record that a development background does not disqualify someone for the position of Chairperson of BLNR/CWRM. Indeed, a couple of the BLNR's past Chairpersons did have work histories with Hawaii's "Big Five" firms. However, these individuals also had conservation and resource protection experience, including working for The Nature Conservancy and heading our State Constitutional Convention, which adopted many of the public trust responsibilities the DLNR is charged with upholding.

The nominee's lack of such experience, coupled with his inability to grasp the primacy of native Hawaiian and public trust claims regarding resources on private as well as public lands, and his failure to provide any clear vision for the DLNR beyond complying with the law and following the mission, lead us to conclude he does not have the requisite qualifications for the job. Your Committee believes Mr. Ching is not the right individual for the position of the Chairperson of the Board of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, recommends that the Senate not advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara). Noes, 2 (Galuteria, Slom). Excused, none.

SCRep. 914 Judiciary and Labor on H.B. No. 155

The purpose and intent of this measure is to:

- (1) Require the Department of Accounting and General Services to develop a comprehensive Wailuku state office master plan to address the shortage of space in the Wailuku state office building and the old courthouse building;
- (2) Require the Department of Accounting and General Services to submit the Wailuku state office master plan to the Legislature prior to the Regular Session of 2016; and
- (3) Appropriate an unspecified sum to the Department of Accounting and General Services for the Wailuku state office master plan.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure will assist in analyzing the efficient use of the existing facilities and also addressing the shortage of office space in Wailuku and funding efforts to revamp the Wailuku state office building and old courthouse building to reduce the shortage of office space.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 155, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 915 Economic Development and Technology on Gov. Msg. No. 504

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

G.M. No. 504 LUIS SALAVERIA, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Luis Salaveria to possess the requisite qualifications to be nominated as the Director of Business, Economic Development, and Tourism.

Your Committee received testimony in support of the nomination of Mr. Salaveria from the Governor; Department of Transportation; Department of Budget and Finance; Department of Taxation; Department of Commerce and Consumer Affairs; Department of Human Services; Office of Planning; Hawaii Housing Finance and Development Corporation; Land Use Commission; University of Hawaii System; Chamber of Commerce Hawaii; Hawaii Strategic Development Corporation; Natural Energy Laboratory of Hawaii Authority; Hawaii Institute for Public Affairs; Pacific International Space Center for Exploration Systems; Hawaii Lodging & Tourism Association; L&L Franchise, Inc.; Nursing Advocates & Mentors, Inc.; Filipino American Citizens League; Enterprise Hawaii; Blue Planet Foundation; Oceanit; Aukai Pacific LLC; Hawaii Farm Bureau; and twenty-four individuals.

Upon review of the testimony, your Committee finds that Mr. Salaveria's background, experience, and commitment to public service qualify him for appointment as Director of Business, Economic Development, and Tourism. Mr. Salaveria has twenty years of experience in diverse business operations and managerial experience within the public and private sectors. Mr. Salaveria is currently the Acting Director of the Department of Business, Economic Development, and Tourism, and he has served in this capacity for the past eight weeks. Previously, he served as Deputy Director of the Department of Budget and Finance from 2011 to 2014. Prior to that, he served as Finance Manager of Kaiser Permanente Hawaii from 2001 to 2011. Mr. Salaveria is affiliated with diverse professional organizations. He is Treasurer of the Board of Directors of the Filipino Community Center, Chairperson of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund, and former member of the Board of Directors of Hale Kipa Inc. Mr. Salaveria has a Bachelor's degree in Economics from the University of Hawaii.

Testifiers commented on Mr. Salaveria's strong public service background, consistent engagement with the community and private sector, and managerial skills. These laudable qualities will benefit the Department as it strives to fulfill its mandates.

Your Committee notes from the nominee's personal statement that his vision for the Department of Business, Economic Development, and Tourism is to provide strong departmental service to the State. More specifically, one future goal is the establishment of a culture that best serves the State by "growing jobs, raising incomes and cultivating innovation". Mr. Salaveria would accomplish this goal by focusing on the infrastructure, talent, and capital of the Department.

Your Committee further notes that Mr. Salaveria's personal testimony focused on maximizing the opportunities available in the present to establish the groundwork for a state infrastructure that will provide for the needs of state residents and rebrand Hawaii by incorporating both traditional images of Hawaii and high-technology energy resources and capabilities. This goal of modernizing Hawaii's brand ties in with Mr. Salaveria's other goals of encouraging innovation among the younger generations to ensure a stronger business future.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 916 Economic Development and Technology on Gov. Msg. No. 505

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

G.M. No. 505 MARY ALICE EVANS, for a term to expire 12-3-2018

Your Committee reviewed the personal history, resume, and statement submitted by the nominee and finds Mary Alice Evans to possess the requisite qualifications to be nominated as the Deputy Director of the Department of Business, Economic Development, and Tourism.

Your Committee received testimony in support of the nomination of Ms. Evans from the Governor; Department of Transportation; Department of Budget and Finance; Department of Health; Department of Commerce and Consumer Affairs; Office of Planning; Hawaii Housing Finance and Development Corporation; Land Use Commission; University of Hawaii System; Hawaii Green Infrastructure Authority; Hawaii Strategic Development Corporation; Natural Energy Laboratory of Hawaii Authority; Hawaii Institute for Public Affairs; Enterprise Hawaii; Young Brothers, Limited; Oceanit; and twenty individuals.

Upon review of the testimony and the nominee's personal statement, your Committee finds that Ms. Evans' background, experience, and commitment to public service qualify her for appointment as Deputy Director of the Department of Business, Economic Development, and Tourism.

Your Committee notes that for the past twenty years, Ms. Evans has served in a wide range of government roles affecting sectors such as central state services, human resources, land use, renewable and alternative energy development, economic development, and tourism. Ms. Evans is currently the Deputy Director of the Department of Business, Economic Development, and Tourism and has served in this capacity since 2011. She previously served, among other positions, as a Special Plans Branch Planning Program Manager at the Office of Planning, Deputy Comptroller of the Department of Accounting and General Services, Special Assistant for Research at the Office of the Governor, and Employment Analyst and Community Services Planner at the Department of Labor and Industrial Relations.

Ms. Evans is affiliated with diverse professional organizations throughout the State. She served as President of the Hawaii Chapter of the American Planning Association. She is also a member of the Hawaii Economic Association, Hawaii's Thousand Friends, Honolulu City Planning Commission, and Urban Land Institute. Ms. Evans holds a Bachelor's degree from the University of California at Santa Barbara and a Master's degree in Urban and Regional Planning from the University of Hawaii.

Testifiers commented on Ms. Evans' consistently strong work ethic and her many years of public service to the State. Testifiers also noted Ms. Evans' depth of institutional knowledge, particularly the inter-workings of government and roles of each agency, her generosity in sharing this knowledge, and desire to accelerate departmental and state progress. These qualities provide a foundation for long-term state efforts to develop tourism and business opportunities and to coordinate future public and private sector projects.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 917 Human Services and Housing on Gov. Msg. No. 511

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES

G.M. No. 511 RACHAEL WONG, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement and resume submitted by the nominee and finds Rachael Wong to possess the requisite qualifications to be nominated as the Director of Human Services.

Your Committee received testimony in support of the nomination of Rachael Wong from the Governor; Department of Budget and Finance; Department of Health; Department of Agriculture; Department of Transportation; Hawaii Public Housing Authority; John A. Burns School of Medicine, University of Hawaii; School of Nursing and Dental Hygiene, University of Hawaii at Manoa; AlohaCare; Ann Pearl Rehabilitation and Healthcare; Castle Home Care; Catholic Charities Hawaii; Child and Family Service; Enterprise Honolulu; Garden Isle Rehabilitation and Healthcare Center; Good Beginnings Alliance; Goodwill Industries of Hawaii, Inc.; Hale Kupuna Heritage Home; Harold K.L. Castle Foundation; Hawaii Health Information Corporation; Hawaii Medical Association; Hawaii Pacific Health; Hawaii Pacific University; Hawaii State Center for Nursing; Hawaii Substance Abuse Coalition; Health, Humor, and Hospitals; Healthcare Association of Hawaii; Hospice Hawaii; Hawaii Primary Care Association; Kapiolani Medical Center for Women and Children; Kokua Mau; Lanakila Pacific; Louis Pohl Gallery; Minnesota State Colleges and Universities; Mental Health America of Hawaii; Ohana Pacific Management Company, Inc.; Pali Momi Medical Center; Pono Pacific; Prime Care Services Hawaii, Inc.; Puuwai O Makaha; Schlack Ito; Straub Clinic and Hospital; The Queen's Health Systems; United Public Workers; Wilcox Memorial Hospital; 6 Pillars Marketing; AT&T; PHOCUSED; and fifty-seven individuals.

Upon review of the testimony, your Committee finds that Ms. Wong's background, leadership experience, and commitment to improving the health and well-being of the community qualify her for appointment as the Director of Human Services. Your Committee notes that Ms. Wong has extensive experience in the public health field, serving in organizational leadership positions for almost eight years and obtaining Master's and Doctorate degrees in public health. She also has received numerous awards and was a regional finalist for the White House Fellows Program, one of the nation's most prestigious programs for leadership and public service.

Your Committee finds that Ms. Wong has proven herself to be a hard-working, competent, and fair leader. She has effectively led multiple organizations in the public health field, including Kokua Mau, a Hawaii hospice and palliative care organization, and the Hawaii Consortium for Integrative Healthcare. Most recently, Ms. Wong served as Vice President and Chief Operating Officer of Healthcare Association of Hawaii. During her tenure at Healthcare Association of Hawaii, Ms. Wong led efforts to develop a statewide community health needs assessment, the first of its kind because it was the product of collaboration of all state hospitals and a partnership between a hospital association and a public health agency. This effort involved various community stakeholders, acute care providers, and the Federal Reserve Bank of San Francisco, and ultimately highlighted the greatest existing healthcare needs in the community. As a result of the community health needs assessment, a plan was developed to better guide healthcare providers and government agencies to strategically address gaps in chronic disease prevention and behavioral health across the State.

Your Committee notes that Ms. Wong's dedication to her work and devotion to the well-being of the community is demonstrated by nearly twenty years of health and wellness experience working in Hawaii. Through her professional and volunteer experience, including participation on numerous task forces, advisory groups, and committees, Ms. Wong has established extensive contacts throughout the community. Throughout her various roles, Ms. Wong has consistently found ways to build bridges, create community, and find solutions through teamwork and collaboration. Known for her great respect and commitment to collaborative efforts, Ms. Wong describes collaborative leadership as one of her strongest attributes that she implements by engaging all stakeholders, bringing together various departments and government entities, and establishing public-private partnerships to address issues and seek innovations.

Your Committee further finds that Ms. Wong has earned the highest level of respect in both her personal and professional life. Testifiers commented at length on Ms. Wong's high level of integrity, her collaborative approach to problem-solving, and her ability to bring out the best in other people by believing in their value. In addition to Ms. Wong's contributions at Healthcare Association of Hawaii by broadening the agency's scope to include public health and increase community partnerships, testimony from Ms. Wong's peers indicate that under her leadership the organization grew to be a more efficient, enjoyable, and healthy place to work. Your Committee received testimony describing Ms. Wong as a realist when approaching problems, but also an optimist who believes that creating a caring and open culture will motivate people to work together for the common good.

Your Committee believes that the nominee's demonstrated commitment to the health and well-being of Hawaii's most disadvantaged populations is an important quality for the Director of Human Services to have and will allow Ms. Wong to further the Department's mission. Ms. Wong's efforts to increase Medicare and Medicaid reimbursements for Hawaii, increase federal support for migrants living in Hawaii under the Compacts of Free Association, and integrate health and human services to address social determinants of health will all help prepare Ms. Wong to serve as the Director of Human Services. As stated in her personal statement, Ms. Wong's vision for the Department is that bold initiatives and transformative programs are created and implemented to collaboratively improve community health. She believes that the Department can become more efficient by utilizing technology,

streamlining business processes, and providing staff with opportunities for increased time efficiencies and productivity. She believes in investing in staff through training, organizational capacity-building, and clear leadership. Your Committee finds that Ms. Wong has the appropriate balance of experience, education, dedication to public service, and vision necessary to succeed in the role of Director of Human Services.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 918 Judiciary and Labor on H.B. No. 141

The purpose and intent of this measure is to clarify that the \$850,000 maximum limit for the civil service exemption for contracts for building, custodial, and grounds maintenance services with qualified community rehabilitation programs applies on a per contract basis and to codify the limitation in chapter 76, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Mayor of the County of Maui, Ka Lima O Maui, and fifteen individuals. Your Committee received testimony in opposition to this measure from the United Public Workers AFSCME Local 646 AFL-CIO.

Your Committee finds that this measure formally codifies the 2014 opinion from the Department of the Attorney General that the \$850,000 civil service exemption set forth in section 76-77(16), Hawaii Revised Statutes, is a per contract limit and not an aggregate limit. This measure would serve to avoid any further confusion regarding this matter.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 141, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Slom).

SCRep. 919 Commerce and Consumer Protection on H.B. No. 538

The purpose and intent of this measure is to authorize the Family Court to issue an order requiring wireless telecommunications service providers to transfer the billing authority and rights to a wireless telephone number or numbers to a petitioner, if the petitioner is not the account holder.

Your Committee received testimony in support of this measure from PHOCUSED and three individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that victims of domestic violence often find themselves struggling to escape their abusive situations. The financial and contractual obligations associated with wireless plans often act as a barrier that prevents a domestic abuse survivor from leaving an abusive relationship.

Your Committee has heard the concerns raised in testimony by the Department of the Attorney General that this measure appears to assume that the petitioner is the protected party named in the order for protection. The relief proposed by this measure would therefore not be available to a minor, an incapacitated person, or a person physically unable to complete or file the petition if any of these persons was not the actual petitioner. According to the Department of the Attorney General, this measure also does not address who is responsible for payment in situations of transferred billing authority or situations where a protected party is the account holder and desires to be released or removed from a shared wireless plan. Your Committee concludes that amendments to this measure are necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the court may issue an order requiring a wireless telecommunications service provider to transfer the billing authority and all rights to the wireless numbers of a shared wireless plan to a petitioner who has been granted an order of protection pursuant to chapter 586, Hawaii Revised Statutes, if the petitioner is not the account holder;
- (2) Specifying that the court may issue an order requiring a wireless telecommunications service provider to remove or release a petitioner from a shared wireless plan and assign a substitute telephone number or numbers;
- (3) Clarifying the parties entitled to relief and payment responsibilities in situations where the petitioner is not the protected party named in the order for protection by:
 - (A) Permitting the billing authority and rights to the wireless numbers of a shared wireless plan to be transferred to another person who shall serve as the account holder, as requested by or on behalf of the protected party; and
 - (B) Permitting the Family Court to order the protected party to be removed or released from a shared wireless plan and assigned a substitute telephone number and order a person to be the account holder for the substitute telephone number, as requested by or on behalf of the protected party;
- (4) Deleting the definition of “domestic abuse”, as this term is already defined in section 586-1, Hawaii Revised Statutes;
- (5) Inserting an effective date of July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 538, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 538, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 920 Energy and Environment on H.B. No. 242

The purpose and intent of this measure is to extend the lapsing date to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning, LLC, in building seawater air conditioning projects on Oahu from June 30, 2015, to June 30, 2020.

Your Committee received testimony in support of this measure from Ulupono Initiative, Blue Planet Foundation, and Honolulu Seawater Air Conditioning, LLC.

Your Committee finds that traditional air conditioning systems consume massive amounts of electricity. Seawater air conditioning uses cool seawater, rather than electricity, to cool buildings. Throughout the world, seawater air conditioning technology has replaced the energy-intensive central refrigeration system of a traditional air-conditioning system. Implementation of this measure will improve energy and fresh water conservation, which are critical to the State's economy and sustainability.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 242, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Green). Noes, none. Excused, 1 (Slom).

SCRep. 921 Energy and Environment on H.B. No. 264

The purpose and intent of this measure is to require the Public Utilities Commission, by July 1, 2016, to establish a process of establishing integrated energy districts.

Your Committee received testimony in support of this measure from the Renewable Energy Action Coalition of Hawaii, Hawaii Solar Energy Association, Hawaii Renewable Energy Alliance, and one individual. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Public Utilities Commission.

Your Committee finds that integrated energy districts, energy generation grids that allow for the collective generation and distribution of power from renewable sources, have increasingly become economically feasible for states and communities. Integrated energy districts are a secure and reliable power source, create clean and renewable energy, earn revenue through the sale of excess energy, reduce grid congestion, and lessen the strain on the central grid. Implementation of this measure will provide better assurance that the State achieves its renewable energy goals.

Your Committee has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 264, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 264, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 922 Energy and Environment on H.B. No. 623

The purpose and intent of this measure is to:

- (1) Increase the renewable portfolio standards for electric utilities to seventy percent by 2035 and one hundred percent by 2045; and
- (2) Require the Public Utilities Commission to include the impact, if any, of renewable portfolio standards on the energy prices offered by renewable energy developers in its renewable portfolio standards study and report to the Legislature.

Your Committee received testimony in support of this measure from the Renewable Energy Action Coalition of Hawaii; Hawaii Solar Energy Association; Hawaii Renewable Energy Alliance; International Brotherhood of Electrical Workers Local Union 1260; Ulupono Initiative; Blue Planet Foundation; 350hawaii.org; Hawaii Clean Energy Foundation; Hawaiian Electric Vehicle Network; Hawaiian Electric Company, Inc.; and sixty-three individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Hawaii Lodging and Tourism Association; Life of the Land; Kauai Island Utility Cooperative; and one individual.

Your Committee finds that Hawaii's dependence on imported fuel hinders the State's economy. A stronger local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. Updating and extending Hawaii's clean energy initiative and renewable standards will benefit Hawaii's economy by ensuring that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry.

Your Committee has amended this measure by:

- (1) Increasing renewable portfolio standards from twenty-five to thirty percent by 2020;
- (2) Increasing renewable portfolio standards from forty to sixty percent by 2030;
- (3) Requiring the Public Utilities Commission to include the cost of fossil fuel volatility in its renewable portfolio standards study and report to the Legislature; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 623, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 623, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 923 Human Services and Housing on H.B. No. 906

The purpose and intent of this measure is to ensure that certain eligible housing projects will remain affordable for certain minimum periods by requiring them to enter into regulatory agreements with the Hawaii Housing Finance and Development Corporation in order to be certified for exemption from general excise taxes.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that encouraging private sector investment and construction of rental housing for Hawaii's families is critical. According to the Hawaii Housing Planning Study in 2011, there is an estimated need for over 13,000 rental units by 2016 for households at or below eighty percent of the area median income. Of those needed rental units, nearly seventy-five percent are needed by households at or below fifty percent of the area median income.

However, your Committee also finds that developers of new or rehabilitated affordable rental housing projects who receive general excise tax exemptions should not be able to continue receiving these exemptions unless their projects remain affordable over certain periods of time. This measure seeks to ensure the long-term affordability of these affordable rental housing projects.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 906, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 924 (Majority) Transportation on H.B. No. 1360

The purpose and intent of this measure is to authorize issuance of general obligation bonds for the relocation of the Clear Channel broadcast antenna, including design and construction, equipment and appurtenances, and ground and site improvements near Honolulu Harbor.

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that to enhance the safety and operations of the Department of Transportation, it is vitally important to relocate the Clear Channel, now known as iHeartMedia, broadcast antenna in order to provide a safe flight plan in the case of a "one engine inoperable" scenario. This measure would also allow for additional capacity at Honolulu Harbor by increasing harbor traffic as a result of limiting obstructions to flight paths.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1360, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1360, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 3 (Dela Cruz, Inouye, Kidani).

SCRep. 925 (Majority) Transportation on H.B. No. 1007

The purpose and intent of this measure is to create a limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaii State Commission on the Status of Women; Hawai'i Civil Rights Commission; Hawai'i Appleseed Center for Law and Economic Justice; Catholic Charities Hawai'i; Protecting Hawai'i's Ohana, Children, Under Served, Elderly And Disabled (PHOCUSED); Hawaii Coalition for Immigration Reform; Faith Action for Community Equity (FACE); HealthyPacific.Org; Aloha DREAM Team; Planned Parenthood of Hawaii; Filipino American Citizens League; Hawai'i Conference of the United Church of Christ; Filipino Coalition for Solidarity; Nursing Advocates & Mentors, Inc.; Hawai'i Friends for Civil Rights; National Federation of Filipino American Associations Region

12; American Civil Liberties Union of Hawaii; American Immigration Lawyers Association - Hawaii Chapter; and six individuals. Your Committee received testimony in opposition to this measure from the Hawai'i County Police Department.

Your Committee received comments on this measure from the Hawaii Insurers Council.

Your Committee finds that under the federal REAL ID Act of 2005, Pub. L. No. 109-13, states are required to comply with federally mandated eligibility criteria in issuing driver's licenses, including requiring proof of lawful presence in the United States. As a consequence, an individual who does not submit satisfactory evidence of lawful presence cannot legally operate a motor vehicle. The REAL ID Act, however, does allow states to issue specialized driver's licenses to individuals who do not meet the restrictive requirements of REAL ID. Adopting this allowance is critical. Since 2010, when the State implemented the federal law's restrictive requirements for proof of authorized presence, the reality has become that a significant number of Hawaii residents who do not possess the necessary documentation are operating motor vehicles without a license, and thus without the mandatory insurance, in order to perform essential daily activities.

Your Committee further finds that the current law needs to be revised and updated to allow for proper review and certification of all motorists in Hawaii, including resident immigrants without documentation of authorized presence. Allowing all age-qualifying residents to obtain limited purpose driver's licenses will improve public safety by ensuring that all drivers are tested for driving skills and able to acquire motor vehicle insurance.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 683, S.D. 2, a substantially similar measure, which:

- (1) Creates a limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit to persons who meet identification and residency requirements and who meet the other qualifications for licensure, but who cannot provide proof of authorized presence in the United States;
- (2) Provides that limited purpose driver's licenses, limited purpose provisional driver's licenses, and limited purpose instruction permits shall not be acceptable for federal identification and voting purposes; and
- (3) Requires satisfactory proof of identity and Hawaii residency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1007, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1007, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 3 (Dela Cruz, Inouye, Kidani).

SCRep. 926 Transportation on H.B. No. 1489

The purpose and intent of this measure is to authorize the issuance of Haleakala National Park and Hawaii Volcanoes National Park special license plates to any owner of a passenger motor vehicle, who is a resident of the State, for the owner's passenger motor vehicle to observe the importance of Haleakala National Park or Hawaii Volcanoes National Park.

Your Committee received testimony in support of this measure from the Mayor of the County of Maui; Hawai'i Volcanoes National Park; Haleakalā National Park; Land Use Research Foundation of Hawaii; and four individuals.

Your Committee finds that Haleakala National Park and Hawaii Volcanoes National Park preserve the natural and cultural resources and values of Haleakala and Kilauea volcano and their surrounding areas for the enjoyment, education, and inspiration of current and future generations. Your Committee further finds that commemorating these special places with a special license plate is long overdue.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1489, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1489, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Inouye, Kidani).

SCRep. 927 Commerce and Consumer Protection on H.B. No. 268

The purpose and intent of this measure is to grant the Director of Commerce and Consumer Affairs the power to issue cease and desist orders for the unlicensed practice of dentistry and for any other act or practice in violation of chapter 448, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii Dental Association and one individual. Your Committee received testimony in opposition to this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from the Board of Dental Examiners.

Your Committee finds that this measure authorizes the Director of Commerce and Consumer Affairs to issue cease and desist orders for the unlicensed practice of dentistry and for any other act or practice in violation of chapter 448, Hawaii Revised Statutes; sets forth procedures for the cease and desist orders; and establishes a penalty for the continued practice of dentistry upon service of a cease and desist order. However, your Committee has heard the concerns that the cease and desist procedures proposed by this measure unnecessarily complicate and impede the Department of Commerce and Consumer Affairs' ability to stop an unlicensed individual from practicing dentistry in Hawaii.

Your Committee further finds that existing law allows the Regulated Industries Complaints Office to issue citations, with an order of abatement effective upon service, to persons engaged in unlicensed activity. Existing law also provides that an unlicensed individual may request a hearing to contest a citation. According to the Regulated Industries Complaints Office, this citation process is an expedient and efficient means of addressing unlicensed activity. Your Committee concludes that the cease and desist procedures under existing law more appropriately address the concerns surrounding unlicensed dental activity than the cease and desist procedures proposed by this measure.

Your Committee notes that the companion to this measure, S.B. No. 725, S.D. 2 (Regular Session of 2015), which was previously passed by the Senate, authorizes the Board of Dental Examiners to summarily suspend a license. Your Committee additionally finds that the language in S.B. No. 725, S.D. 2, is preferable because it enables the Board of Dental Examiners to respond swiftly and appropriately against licensees for the protection of consumers.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 725, S.D. 2, a substantively similar measure, which:
 - (A) Authorizes the Board of Dental Examiners to summarily suspend a license;
 - (B) Establishes procedures for the summary suspension of a license; and
 - (C) Specifies that continuing to practice dentistry, or attempting to do so, while the summary suspension of a license is in effect shall be grounds for revocation of the license; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 268, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 268, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 928 Judiciary and Labor on H.B. No. 58

The purpose and intent of this measure is to:

- (1) Establish a hope card program within the Department of the Attorney General to allow law enforcement to verify the existence of and obtain information regarding a long term protective order;
- (2) Authorize the Department of the Attorney General to issue hope cards to holders of a long term protective order and establish content requirements of and fees for the hope cards;
- (3) Require the Department of the Attorney General to maintain a database of all hope cards issued through the hope card program and allow access to the database by Internet and telephone twenty-four hours a day, seven days per week for the duration of the long term protective order and public access in coordination with the Hawaii Criminal Justice Data Center;
- (4) Authorize the Department of the Attorney General to work with outside agencies and governmental agencies and accept funding from public agencies and private persons to support the program;
- (5) Require the Department of the Attorney General to submit a report on the program to the Legislature prior to the convening of each Regular Session;
- (6) Appropriate an unspecified sum for fiscal year 2015-2016 for the Department of the Attorney General to establish and administer the hope card program; and
- (7) Require the Department of the Attorney General to develop and implement the hope card program no later than January 1, 2016.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Ala Kuola; and two individuals. Your Committee received comments on this measure from the Department of the Attorney General and Domestic Violence Action Center.

Your Committee finds that obtaining and enforcing a protective order can be a tedious and frustrating process. One of the difficulties that holders of a protective order face is having to constantly carry a certified copy of their protective order on their person because it is often impractical. A hope card will enable holders of protective orders to easily carry the cards around with them in their purse or wallet and allow law enforcement in other jurisdictions to quickly and easily verify the protective orders from the cards.

Your Committee notes the testimony submitted by the Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu requesting that the hope card program be placed within the Honolulu Family Justice Center under the Department of the Prosecuting Attorney of City and County of Honolulu and initially focus on protective orders issued on Oahu. The Department of the Attorney General testified that program placement was previously discussed with the Honolulu Family Justice Center and the Center is agreeable to overseeing the program.

Your Committee notes the concern raised by the Department of the Attorney General that requiring access to information in the Criminal Justice Information System and National Crime Information Center's protection order file databases is unnecessary. The Department indicated in its testimony that law enforcement already has access twenty-four hours a day, seven days per week. However, it is the intention of your Committee that implementation of this measure be in coordination with Hawaii's Criminal Justice Information System.

Lastly, your Committee further notes the concerns raised by Ala Kuola that the name of the hope card program may be easily confused with the Judiciary's HOPE Probation program.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the suggestions made by the Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu to establish a three-year pilot program under the Honolulu Family Justice Center instead of the Department of the Attorney General and apply the pilot program to protective orders issued by any court in the First Circuit of the State;
- (2) Adopting the suggestion made by Ala Kuola to change the name of the program from the "hope card program" to "protective order card pilot program" to avoid confusion with HOPE Probation;
- (3) Deleting language that would have required fees collected for protective order cards to be transferred to the general fund;
- (4) Adopting the language suggested by the Department of the Attorney General that deletes the language that requires access to the database by Internet and telephone twenty-four hours a day, seven days per week for the duration of the long term protective order and public access in coordination with the Hawaii Criminal Justice Data Center;
- (5) Requiring the Department of the Prosecuting Attorney of the City and County of Honolulu to submit a report to the Legislature prior to the convening of the Regular Sessions of 2016, 2017, and 2018 regarding the activities and status of the protective order card pilot program;
- (6) Appropriating an unspecified amount for fiscal years 2015-2016 and 2016-2017 for a grant-in-aid to the Honolulu Family Justice Center to implement the protective order card pilot program;
- (7) Inserting a sunset date of December 31, 2018; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 58, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 58, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 929 Judiciary and Labor on H.B. No. 213

The purpose and intent of this measure is to provide to jurors and prospective jurors payment of the cost of an adult bus fare to and from the court as an alternative to the mileage fee if higher than the mileage fee.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that this measure provides equal treatment for jurors and prospective jurors who drive a car to court and those who take the bus to court. By adding the payment to jurors for the cost of an adult bus fare to and from the court, this measure also encourages jurors to use public transit rather than drive, thereby reducing traffic congestion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 213, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 930 Judiciary and Labor on H.B. No. 461

The purpose and intent of this measure is to:

- (1) Transfer the Office of Information Practices as an administratively attached agency of the Office of the Lieutenant Governor to the Department of Accounting and General Services;
- (2) Exempt the Office of Information Practices from certain laws requiring oversight by the Comptroller and authorize the Office of Information Practices to make direct communications with the Governor and Legislature, make all decisions regarding employment, and purchase all supplies, equipment, and furniture without the approval of the Comptroller;
- (3) Clarify the employment status of attorneys employed by the Office of Information Practices and the civil service exemption for Office of Information Practices personnel; and
- (4) Appropriate an unspecified sum to the Department of Accounting and General Services for two additional positions to provide administrative support for the Office of Information Practices and other agencies administratively attached to the Department.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Office of Information Practices, Common Cause Hawaii, League of Women Voters, and one individual. Your Committee received comments on this measure from the Department of Accounting and General Services and Department of Human Resources Development.

Your Committee finds that existing law administratively attaches the Office of Information Practices to the Office of the Lieutenant Governor as a temporary office for a special purpose. This measure recognizes the Office of Information Practices as a permanent

office by administratively attaching the Office to the Department of Accounting and General Services, thereby better complying with the constitutional requirement for permanent offices to be housed in one of the principal executive branch departments.

Your Committee notes the written testimony submitted by the Office of Information Practices stating its preference for the Senate companion to this measure, S.B. No. 472, S.D. 2 (Regular Session of 2015). That measure amends section 92F-41, Hawaii Revised Statutes, to clarify the Office's independence as an administratively attached agency rather than insert a new section into chapter 92F, Hawaii Revised Statutes, to provide certain exemptions from certain laws. Furthermore, S.B. No. 472, S.D. 2, does not contain an appropriation to the Department of Accounting and General Services.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the contents of this measure and inserting language from its companion measure, S.B. No. 472, S.D. 2 (Regular Session of 2015), as supported by the Office of Information Practices, that:
 - (A) Transfers the Office of Information Practices as an administratively attached agency of the Office of the Lieutenant Governor to the Department of Accounting and General Services;
 - (B) Clarifies the employment status of attorneys employed by the Office of Information Practices and the civil service exemption for Office of Information Practices personnel; and
 - (C) Amends section 92F-41, Hawaii Revised Statutes, to provide that any quasi-judicial functions of the Office of Information Practices will not be subject to the approval, review, or control of the Comptroller; the Comptroller shall not have the power to supervise or control the Office of Information Practices in the exercise of its functions, duties, and powers under section 92F-42, Hawaii Revised Statutes; and the Office of Information Practices is required to follow and be subject to all applicable personnel laws and shall make direct communications with the Governor and Legislature;
- (2) Adopting the language suggested by the Office of Information Practices that amends section 92F-42, Hawaii Revised Statutes, to:
 - (A) Allow the Office of Information Practices to examine the records of any agency for the purposes of conducting inquiries regarding compliance, investigating possible violations, and taking action to oversee compliance; and
 - (B) Clarify that the Office of Information Practices has standing to appear in cases where chapter 92F and part I of chapter 92, Hawaii Revised Statutes, are called into question;
- (3) Providing that the transfer of the Office of Information Practices from the Office of the Lieutenant Governor to the Department of Accounting and General Services shall take effect on July 1, 2016; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 461, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 931 (Majority) Education on H.B. No. 820

The purpose and intent of this measure is to establish the Executive Office on Early Learning Pre-kindergarten Program to provide high-quality early childhood education to the children of Hawaii.

Your Committee received testimony in support of this measure from the Department of Human Services, State Public Charter School Commission, Hawaii Teacher Standards Board, Early Learning Advisory Board, Hawaii State Teachers Association, Hui for Excellence in Education, Good Beginnings Alliance, IMUAlliance, Hawaii State AFL-CIO, Aloha United Way, Chamber of Commerce Hawaii, PHOCUSED, Special Education Advisory Council, Americans for Democratic Action Hawaii, Aha Punana Leo, Democratic Party of Hawaii, and one hundred fifty-four individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that quality early childhood education is important for the social, cognitive, emotional, and physical development of children. Studies have shown that early childhood education prepares children for success in school and beyond. Despite the well-known advantages of early childhood education programs, many children are unable to attend due to the high cost of such programs. This measure will make early childhood education more widely accessible, especially to many at-risk and underserved children who currently have no access to pre-kindergarten programs.

Your Committee has amended this measure by:

- (1) Adding language that authorizes the Department of Education to grant geographic exceptions for children to attend pre-kindergarten outside their assigned service area, as the Department of Education deems appropriate, and requires the Department of Education to grant requests for geographic exception to attend a pre-kindergarten in another service area if the request is based on the employment location of the parent or guardian of the student;
- (2) Clarifying that the Executive Office on Early Learning Pre-kindergarten Program will incorporate high quality standards that align with the Hawaii early learning and development standards, which align with Department of Education standards, state content and performance standards, and general learner outcomes for grades kindergarten to twelve rather than with Common Core standards;

- (3) Inserting language defining “underserved children” as those not qualified to attend other early childhood education programs and whose family income is no more than two hundred fifty percent of the federal poverty level, and deleting language in the definition regarding family circumstances; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 820, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 820, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, 2 (Dela Cruz, Thielen).

SCRep. 932 Education on H.B. No. 10

The purpose and intent of this measure is to:

- (1) Authorize Department of Education employees and trained volunteers to administer insulin to students with diabetes;
- (2) Authorize Department of Education employees and trained volunteers to administer auto-injectable epinephrine in an emergency situation to students with anaphylaxis; and
- (3) Empower students to self-manage their diabetes by permitting students with diabetes to perform their own blood glucose checks, administer insulin, possess all necessary supplies to perform diabetes monitoring, and otherwise attend to the care and management of their diabetes during any school-related activity.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association; American Diabetes Association; Special Education Advisory Council; Seven-Eleven Hawaii, Inc.; Walgreen Co.; Hawaii Disability Rights Center; and fifteen individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that students with diabetes or anaphylaxis must work to manage their conditions. Even with close monitoring of diabetes or careful avoidance of allergens by students with anaphylaxis, emergencies happen that require quick response to avoid major medical complications or even death. Whether due to age, disability, or the effects of a diabetes or anaphylaxis emergency, some students need assistance to administer medication. School volunteers are important supports for students with diabetes and anaphylaxis, as they bolster the resources available to students in emergency situations.

Your Committee further finds that in the normal course of diabetes management, glucose monitoring and timely administration of medication help maintain normal blood sugar levels. This measure empowers students to manage their diabetes by permitting them to carry necessary medical supplies and attend to their own care during all school-related activities.

Your Committee has amended this measure by:

- (1) Clarifying that a student’s parent or guardian shall provide the Department of Education with a written certification from the student’s physician, advanced practice registered nurse, or physician assistant stating that the student with diabetes may perform the student’s own blood glucose checks, administer insulin through the student’s insulin delivery system, and otherwise attend to the student’s diabetes during any school-related activity, and possess on the student’s person all necessary supplies and equipment to perform diabetes monitoring and treatment activities pursuant to the student’s medical management plan during any school-related activity;
- (2) Requiring the parent or guardian of a child with diabetes, who may receive assistance from a school volunteer, to provide the child’s school with any supplies necessary to administer insulin, and requiring the school to store those supplies in a secure but accessible location; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 10, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 10, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 933 (Majority) Education on H.B. No. 11

The purpose and intent of this measure is to attract national board certified teachers to teach in schools in a focus, priority, or Superintendent’s zone, or other similar designation, as determined by the Department of Education through the Teacher National Board Certification Incentive Program.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Teacher Standards Board, Hawaii State Teachers Association, Hui for Excellence in Education, IMUAlliance, and five individuals.

Your Committee finds that national board certified teachers are among the most highly trained and committed educators. Schools struggling with academic achievement and with meeting curriculum goals stand to benefit the most from an infusion of talented and dedicated teachers. The incentives provided by this measure will work to draw talented teachers into struggling schools. An additional incentive for national board certified teachers to continue working in schools that rise out of focus, priority, Superintendent’s zone, or other designation, no longer have a high turnover rate, or are no longer considered “hard-to-fill” would work to retain national board certified teachers and help the schools continue to improve.

Your Committee has amended this measure by adding an additional \$5,000 bonus per year for any public school teacher who received a yearly bonus for teaching at a school in a focus, priority, or Superintendent's zone, or other similar designation as determined by the Department of Education; a school with a high turnover rate, as determined by the Department; or a hard-to-fill school, as determined by the Department, maintains national board certification, and continues teaching at that school after it is no longer so designated; and specifying that this bonus continues until the end date of the teacher's national board certification in effect at the time the school lost its designation, or until the teacher is no longer employed at the school, whichever occurs first.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 11, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 11, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 934 Education on H.B. No. 831

The purpose and intent of this measure is to:

- (1) Expedite the process of school closure when a public charter school becomes financially insolvent by deeming the school to have voluntarily surrendered its charter contract;
- (2) Require the authorizer, in its sole discretion, to determine whether health and safety concerns require school closure;
- (3) Require the authorizer, in its sole discretion, to adopt a closure protocol any time a school is subject to closure; and
- (4) Require the authorizer, in its sole discretion, to determine whether to provide for a transition period in the event of a school closure.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii State Teachers Association, and one individual.

Your Committee finds that the lengthy charter revocation process established under chapter 302D, Hawaii Revised Statutes, never contemplated a scenario in which a school is insolvent or insists on continuing operations despite insolvency. Although such situations are not expected to arise often, a mechanism needs to be available to expedite the closure process in order to protect students and stakeholders. Because many public charter schools operate on very tight budgets, concerns have been expressed as to the meaning of "financial insolvency", and defining the term is important to help charter school administrators better understand when the mechanism may be triggered.

Your Committee has amended this measure by clarifying that a school is financially insolvent when it is unable to pay its staff when payroll is due.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 831, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 831, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 935 Education on H.B. No. 832

The purpose and intent of this measure is to allow a student who is enrolled at a public charter school that has been notified of the prospect of revocation or nonrenewal or closure, to enroll in a Department of Education school outside the student's service area.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii State Teachers Association, and one individual.

Your Committee finds that a school closure causes hardship for families and communities. Families are faced with finding a school that is convenient for work and childcare purposes, sometimes with little notice. Community schools are faced with the task of accommodating dozens, if not hundreds, of new students. Making geographic exceptions available to students affected by a public charter school closure, thereby allowing those children to attend Department of Education schools outside their service area, is an appropriate accommodation to relieve the burden that public charter school closures place on families and schools.

Your Committee has amended this measure by removing language authorizing geographic exceptions for students that have been notified of the prospect of charter nonrenewal.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 832, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 832, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 936 Education on H.B. No. 819

The purpose and intent of this measure is to require all youth-serving agencies, public schools, and public charter schools that receive state or county funding to adopt, maintain, monitor, and enforce policies and procedures related to all forms of bullying and cyberbullying to protect youth in the State.

Your Committee received testimony in support of this measure from the State Public Charter School Commission; State Council on Developmental Disabilities; Hawaii Civil Rights Commission; University of Hawaii at Manoa LGBT Student Services Office; Honolulu Police Department; Hawaii State Teachers Association; Human Rights Campaign; Special Education Advisory Council; Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus; Americans for Democratic Action Hawaii; Hawaii Youth Services Network; Gay, Lesbian, and Straight Education Network Hawaii; IMUAlliance; Democratic Party of Hawaii; Equality Hawaii; and six individuals. Your Committee received comments on this measure from the Department of Education, Department of Human Services, and one individual.

Your Committee finds that this measure is an important step toward bolstering youth safety by clearly defining bullying across all youth-serving agencies. Anti-bullying policies will help adults and children better identify bullying and understand how to intervene. Before children can focus on learning, they must feel safe and free from intimidation and threats of violence or humiliation. Bullying not only impedes learning, but is also a leading cause of youth suicide. This measure will work to identify bullying and empower youth and adults to end it.

Your Committee has amended this measure by:

- (1) Clarifying that each agency and grantee shall adopt a bullying prevention policy to be enforced through electronic communication to the extent that the communication is directed at a youth and meets the definition of “bullying”; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 819, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 819, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Thielen).

SCRep. 937 Education on H.B. No. 821

The purpose and intent of this measure is to:

- (1) Amend or repeal various provisions of chapter 302A, Hawaii Revised Statutes, as related to early childhood education, that fall under the purview of the Executive Office on Early Learning or are covered by another section of the Hawaii Revised Statutes; and
- (2) Amend various provisions of chapter 302L, Hawaii Revised Statutes, for housekeeping purposes.

Your Committee received testimony in support of this measure from the Department of Education, Early Learning Advisory Board, Hawaii State Teachers Association, Hui for Excellence in Education, Good Beginnings Alliance, PHOCUSED, Chamber of Commerce Hawaii, Democratic Party of Hawaii, and three individuals.

Your Committee finds that amendments to the Hawaii Revised Statutes are necessary to reassign statutory responsibilities regarding early childhood education, currently held by the Department of Education, to the Executive Office on Early Learning. This measure enables the Executive Office on Early Learning to fulfill those responsibilities by authorizing the office to expend federal funds, and making necessary clarifying amendments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 821, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 938 Education on H.B. No. 1412

The purpose and intent of this measure is to permanently grant the Department of Education authority over matters related to its purchase of goods and services, preaudit of payments, and accounting.

Your Committee received testimony in support of this measure from the Department of Education.

Your Committee finds that the Department of Education has unique accounting needs. The Department of Education must track allocations and expenditures in detail to meet state and federal compliance requirements. These compliance requirements spurred the Department of Education’s move toward its own accounting system when it was first granted authority over purchases, preaudit of payments, and accounting in 1986. Because the Department of Education has managed its accounting appropriately for over twenty years, it is prudent to permanently grant the Department of Education authority over matters related to its purchase of goods and services, preaudit of payments, and accounting.

Your Committee has amended this measure by:

- (1) Amending relevant session laws to prevent necessary statutory language from being repealed under current sunset provisions; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1412, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1412, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 939 Energy and Environment on H.B. No. 1086

The purpose and intent of this measure is to:

- (1) Require the Legislative Reference Bureau to update its 1985 study "The Feasibility of Environmental Reorganization for Hawaii";
- (2) Require the Legislative Reference Bureau to submit the updated study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and
- (3) Appropriate funds to the Legislative Reference Bureau for necessary costs in preparing and submitting the updated study.

Your Committee received testimony in support of this measure from the Office of Environmental Quality Control, Conservation Council for Hawaii, and two individuals. Your Committee received comments on this measure from the Legislative Reference Bureau and State Procurement Office.

Your Committee finds that responsibility and oversight pertaining to natural resources and environmental management are spread among several state agencies and departments. This has led to inefficient operations and use of resources, as it is sometimes unclear which agency will take the lead and which agency will be responsible for using its limited resources to tackle an issue. Implementation of this measure will provide better assurance that the State is effectively addressing critical environmental issues.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1086, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1086, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 940 Energy and Environment on H.B. No. 1087

The purpose and intent of this measure is to:

- (1) Amend the amount of the environmental response, energy, and food security tax collections to be deposited into the environmental response revolving fund;
- (2) Require the Director of Health to establish a task force to assess the condition of all field-constructed underground storage tanks that are older than seventy years and take steps to ensure that these tanks do not present an unacceptable risk to the environment and freshwater supplies; and
- (3) Require the Director of Health to prepare and submit a report of the task force's findings and recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Department of Health, Office of Environmental Quality Control, Board of Water Supply of the City and County of Honolulu, Nature Conservancy, Hawaii Green Growth, and three individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds throughout the State, there are twenty-six field-constructed underground storage tanks that are older than seventy years and a leak in any of these tanks poses a great threat to the State's freshwater supplies and the environment. Your Committee further finds that the balance in the environmental response revolving fund, which funds the Department of Health's emergency response operations, is gradually decreasing. Implementation of this measure will ensure that the environmental response revolving fund is capable of supporting critical environmental response initiatives and mitigating future unexpected environmental emergencies that arise.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Director of Health establish a task force;
- (2) Amending section 1 to reflect the amended purpose of this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1087, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1087, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 941 Hawaiian Affairs on H.B. No. 1297

The purpose and intent of this measure is to amend the penal code to allow for the preparation of a corpse for burial and burial of a corpse consistent with traditional Hawaiian cultural customs and practices.

Your Committee received testimony in support of this measure from the Ko'olaupoko Hawaiian Civic Club and Ko'olau Foundation.

Your Committee finds that this measure would allow for the preparation and burial of iwi. Your Committee received testimony that allowing for the burial of iwi would be both cost efficient and a more efficient use of limited burial space. Your Committee also received testimony that a large number of the requests for financial assistance made to the Office of Hawaiian Affairs each year arise from funeral and burial costs that the families cannot afford. This measure would help to address this situation.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1297, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 942 Hawaiian Affairs on H.B. No. 1368

The purpose and intent of this measure is to:

- (1) Add a member of the Daughters of Hawai'i as a member of the King Kamehameha Celebration Commission;
- (2) Require staff hired by the King Kamehameha Celebration Commission to be paid from state funds, as opposed to fees, public contributions, and private donations; and
- (3) Appropriate funds for the operating costs of the King Kamehameha Celebration Commission.

Your Committee received testimony in support of this measure from the King Kamehameha Celebration Commission, Makaha Hawaiian Civic Club, Waimanalo Hawaiian Homes Association, Kalihi Palama Hawaiian Civic Club, and five individuals. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services.

Your Committee finds that this measure adds representation from the Daughters of Hawai'i to the King Kamehameha Celebration Commission after a long hiatus. The Daughters of Hawai'i bring a wealth of business and philanthropic experience to the King Kamehameha Celebration Commission. This measure also authorizes funding for the King Kamehameha Celebration Commission from general funds, which had been eliminated in 2000 due to state budget constraints. The King Kamehameha Celebration Commission has estimated that its personnel and operating costs are \$24,040 annually.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1368, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 943 Hawaiian Affairs on H.B. No. 438

The purpose and intent of this measure is to support the rehabilitation and environmental restoration of the Kaho'olawe Island Reserve.

Specifically, this measure appropriates funds for projects undertaken by the Kaho'olawe Island Reserve Commission, including restoration and preservation of the Kaho'olawe Island Reserve.

Your Committee received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Aha Moku Advisory Committee, Mayor of the County of Maui, Land Use Research Foundation of Hawaii, Protect Kaho'olawe Ohana, Historic Hawaii Foundation, The Trust for Public Lands, and eleven individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from the Office of the Auditor.

Your Committee finds that this measure would provide funding for the Kaho'olawe Island Reserve Commission to continue to undertake projects relating to the restoration and preservation of the natural, cultural, and historic resources of the Kaho'olawe Island Reserve. Your Committee notes that it heard testimony from several students who participated in projects with the Kaho'olawe Island Reserve Commission and who were in strong support of the continuation of those programs. Your Committee also received testimony from the Kaho'olawe Island Reserve Commission with regard to land in its control on Maui. Your Committee encourages the Kaho'olawe Island Reserve Commission to continue to pursue the development of the property on Maui with the goal of generating funding for its mission.

Your Committee has amended this measure by:

- (1) Adding a requirement that the Kaho'olawe Island Reserve Commission submit a financial self-sufficiency and sustainability plan to the Legislature no later than twenty days prior to the 2016 Regular Session; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 438, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 438, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 944 Human Services and Housing on H.B. No. 766

The purpose and intent of this measure is to make an appropriation for the construction of micro apartment housing units.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, Hawai'i Appleseed Center for Law and Economic Justice, Hawai'i Association of REALTORS, Hawaii Catholic Conference, Hawaii Primary Care Association, Land Use Research Foundation of Hawaii, League of Women Voters, Catholic Diocese of Honolulu Office for Social Ministry, Partners in Care, PHOCUSED, and three individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments.

Cities with high or increasing rental costs, such as Hong Kong, New York, San Francisco, and Seattle, have developed micro apartment units to provide an innovative and affordable housing option. Your Committee finds that the development of micro apartment units could improve the availability of affordable housing in Hawaii, where rent and property prices are also high.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 766, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 945 Human Services and Housing on H.B. No. 767

The purpose and intent of this measure is to:

- (1) Provide that certain areas within Hawaii Public Housing Authority housing projects are closed to the public and amends criminal trespass in the second degree to permit the prosecution of an unauthorized entry or a violation of a written prohibition to enter into the subject housing projects; and
- (2) Clarify requirements for signage notifying trespassers of illegal entry.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Hawaii Public Housing Authority, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the safety and well-being of residents of public housing are important. These residents have the right to peacefully enjoy their homes without fear of unauthorized intruders at all hours of the day.

Your Committee has amended this measure by:

- (1) Changing references from "police officer" to "law enforcement officer"; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 767, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 767, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 946 Human Services and Housing on H.B. No. 1354

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds to several state agencies for the purposes of improving and increasing the public and affordable housing stock in the State.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Catholic Charities Hawai'i; Chamber of Commerce Hawaii; Hawai'i Appleseed Center for Law and Economic Justice; Hawai'i Association of REALTORS; Hawaii Catholic Conference; Hawaii Primary Care Association; Land Use Research Foundation of Hawaii; League of Women Voters; Catholic Diocese of Honolulu, Office for Social Ministry; Partners in Care; PHOCUSED; and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that housing is a serious concern for many Hawaii residents. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments. Furthermore, according to the *Hawaii Public Housing Authority Annual Report For Fiscal Year 2013*, the Hawaii Public Housing Authority's public housing stock still has extensive and growing capital needs, currently estimated at \$500,000,000, that continue to be underfunded by the United States Department of Housing and Urban Development.

Your Committee has amended this measure by adding a definition for "micro apartment housing unit".

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1354, H.D. 1, as amended herein, and recommends that it

pass Second Reading in the form attached hereto as H.B. No. 1354, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 947 Judiciary and Labor on H.B. No. 952

The purpose and intent of this measure is to provide that the name of a complainant in a prevailing wage claim be withheld from the employer unless prior permission to release the name is given by the complainant.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Hawaii Building and Construction Trades Council, AFL-CIO. Your Committee received comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that extending confidentiality to the complainant in a prevailing wage claim would encourage the timely reporting of alleged violations by lessening concerns over employer retribution.

Your Committee further finds that a prevailing wage investigation generally requires a review of up to three years of payroll records. Accordingly, your Committee has amended this measure by:

- (1) Inserting language providing that a request by a laborer or mechanic to the Director of Labor and Industrial Relations to initiate a prevailing wage claim must be made within three years from the date the wages or overtime compensation was due and payable and by limiting the scope of the investigation to the three-year period preceding the filing of the claim; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 952, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 952, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Slom).

SCRep. 948 Judiciary and Labor on H.B. No. 951

The purpose and intent of this measure is to allow the Labor and Industrial Relations Appeals Board to provide notice of a hearing to a party by posting notice on its webpage, as an alternative to publication in a newspaper, when service by first class mail is ineffective. This measure further requires that the notice be removed from the webpage at least five business days after the hearing date.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Labor and Industrial Relations Appeals Board, and Hawaii Association of the Blind. Your Committee received comments on this measure from one individual.

Your Committee finds that this measure would allow the Labor and Industrial Relations Appeals Board the option of providing notice by online posting in cases where service by first class mail is ineffective. This option would be an economically efficient and practical alternative to having to publish such notice in a newspaper, which reportedly costs \$383 on average.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 951, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Slom).

SCRep. 949 Energy and Environment on H.B. No. 1141

The purpose and intent of this measure is to prohibit approvals for the installation of new cesspools and the connection of newly constructed structures, buildings, or residences to existing cesspools, issued after December 31, 2016.

Your Committee received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, Land Use Research Foundation of Hawaii, Nature Conservancy, Surfrider Foundation Hawaii Chapters, and two individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the continued use of cesspools poses a risk to the health and safety of the public. Hawaii is the only state that permits the installation of new cesspools, and contamination from cesspools poses an unacceptable risk to the water quality in ocean water, surface water, and groundwater. Implementation of this measure will protect the environment and the quality of the State's nearshore waters and drinking water supplies.

Your Committee has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1141, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1141, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 950 Tourism and International Affairs on H.B. No. 133

The purpose and intent of this measure is to provide an income tax credit for hotel construction and renovation for taxable years beginning after December 31, 2015, and ending on December 31, 2021.

Your Committee received testimony in support of this measure from the Hawaii Lodging & Tourism Association, Subcontractors Association of Hawaii, Hawaii Tourism Authority, Land Use Research Foundation of Hawaii, Maui Hotel and Lodging Association, and Maui Chamber of Commerce. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Outrigger Enterprises Group.

Your Committee finds that Hawaii's travel and tourism industry must continue to refresh its product offering to support and attract new and repeat travelers, compete with other global destinations, and distinguish Hawaii as a unique travel and tourist destination; Hawaii cannot continue to rely on aging hotel and resort infrastructure and hope for the best. Traditional financing has failed to generate new construction and renovation work, and jobs are lacking. Therefore, your Committee finds that a hotel construction and renovation tax credit will provide an economic incentive to benefit Hawaii's tourism industry.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 133, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 951 Tourism and International Affairs on H.B. No. 169

The purpose and intent of this measure is to amend the definition of "fair market rental value" used in the transient accommodations tax law and increase the amount of transient accommodations tax imposed on resort time share vacation units by one percent on fair market rental value each year until reaching 9.25 percent of fair market rental value.

Your Committee received testimony in support of this measure from the Land Use Research Foundation of Hawaii. Your Committee received testimony in opposition to this measure from the American Resort Development Association Hawaii and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, Wyndham Vacation Ownership, Starwood Vacation Ownership, Outrigger Enterprises, and Hawaii Lodging & Tourism Association.

Your Committee finds that the intent of this measure is to help alleviate a disparity in the transient accommodations tax law that imposes a significantly lower tax burden on timeshares than other transient accommodation rental operators. Current law imposes a tax rate of 9.25 percent of gross rental income received in exchange for furnishing transient accommodations on hotels and other non-timeshare transient accommodation rental operators. Timeshares are subject to a 7.25 percent tax rate on one-half of the gross daily maintenance fees paid by the owner of the unit, which is often substantially less than the full fair market value of the room, which results in a discounted tax burden for timeshares.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 952 Tourism and International Affairs on H.B. No. 1259

The purpose and intent of this measure is to:

- (1) Make permanent the provisions of Act 58, Session Laws of Hawaii 2004, as amended, that allow the Hawaii Tourism Authority independent management and oversight over its financial operations by granting exemptions from requirements for Comptroller's supervision of accounts, publication of consolidated financial statements, approval of business and accounting forms, and deposit of funds into the tourism special fund; and
- (2) Increase the allocation of funds from the tourism special fund for administrative expenses of the Hawaii Tourism Authority.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority. Your Committee received comments on this measure from Outrigger Enterprises Group.

Your Committee finds that Act 58, Session Laws of Hawaii 2004, as amended, was intended to enhance the operational effectiveness of the Hawaii Tourism Authority. This measure permanently allows the Hawaii Tourism Authority to continue operations more effectively while requiring transparency, controls, and accountability for funds.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1259, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (English, Taniguchi, Tokuda). Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 953 Tourism and International Affairs on H.B. No. 1327

The purpose and intent of this measure is to permit a taxpayer who provides transient accommodations on real property leased from a related entity to claim a general excise tax deduction from the amount of gross proceeds or gross income received from its sublease of the real property.

Your Committee received testimony in support of this measure from the Hawaii Lodging & Tourism Association; Maui Hotel & Lodging Association; and Host Hotels & Resorts, L.P. Your Committee received testimony in opposition to this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that fairness in taxation is key to good tax policy. Your Committee further finds that the stakeholders involved with this measure are well-suited to work out potential issues with the language, thus your Committee is inclined to pass this measure to afford those stakeholders that opportunity.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1327, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 954 Tourism and International Affairs on S.C.R. No. 21

The purpose and intent of this measure is to urge the People's Republic of China to honor its promise and commitment to no longer harvest organs from executed prisoners for organ transplants.

Your Committee received testimony in support of this measure from four individuals.

Your Committee finds that voluntary and informed consent is the precondition for ethical organ donation and prisoners deprived of freedom are not in a position to give free consent. Your Committee further finds that the People's Republic of China has previously announced deadlines to end the practice of using organs of executed prisoners for organ transplants but has not met these self-imposed deadlines, allowing the practice to continue.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 21 and recommends that it be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 955 Government Operations on H.B. No. 206

The purpose and intent of this measure is to amend the state public procurement code to require that all publicly funded landscaping projects include a minimum percentage of Hawaiian plants, in order to contribute to a Hawaiian sense of place, reduce the use of non-native invasive plant species, and support the preservation of Hawaii's cultural and ecological heritage.

Your Committee received testimony in support of this measure from the Judiciary, Department of Transportation, Aha Moku Advisory Committee, Office of Hawaiian Affairs, Office of Environmental Quality Control, City and County of Honolulu Department of Parks and Recreation, Coordinating Group on Alien Pest Species, Hawaii Green Growth, Nature Conservancy, Kalihi Palama Hawaiian Civic Club, Kuaaina Ulu Auamo, Native Hawaiian Chamber, King Kamehameha Hawaiian Civic Club, Ewa Puuloa Hawaiian Civic Club, Hui Makaainana O Makana, Land Use Research Foundation of Hawaii, and eight individuals. Your Committee received comments on this measure from the State Procurement Office and Department of Land and Natural Resources.

Your Committee finds that the use of Hawaiian plants in public landscaping is an important priority. Your Committee has heard concerns that the restrictive specifications in this measure may cause expensive and time consuming delays in the procurement process. Testimony also expressed concern that agencies will require some flexibility in implementing this measure as they work to complete projects and the landscaping market expands to meet the growing demand for Hawaiian plants.

Your Committee notes that the companion to this measure, S.B. No. 435, S.D. 2 (Regular Session of 2015), which was previously passed by the Senate, addresses procurement and implementation concerns and contains precise specifications for the use of Hawaiian plants. The Senate version also authorizes the heads of purchasing agencies to determine exceptions to the Hawaiian plant requirement using procedures, standards, or guidelines established by the Procurement Policy Board.

Your Committee further finds that the language in S.B. No. 435, S.D. 2, is preferable because it uses clearer terms, which will aid in the procurement process, and also provides greater flexibility to departments and agencies in implementing the measure.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 435, S.D. 2, a substantively similar measure, which:
 - (A) Requires new publicly funded landscaping to incorporate Hawaiian plants; provided that suitable cultivated plants can be made available without jeopardizing wild plants in their natural habitat;
 - (B) Requires, wherever and whenever possible, Hawaiian plants to be used for landscaping on, and sourced from, the island and ahupua'a in which the species was found or known to occur prior to European contact;
 - (C) Authorizes the Procurement Policy Board to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to establish procedures, standards, or guidelines for determining exceptions to the use of Hawaiian plants in new publicly funded landscaping;
 - (D) Authorizes the head of the purchasing agency to determine exceptions to the required use of Hawaiian plants using procedures, standards, or guidelines established by the Procurement Policy Board; and
 - (E) Includes an effective date of July 1, 2050; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 206, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 206, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 956 Government Operations on H.B. No. 318

The purpose and intent of this measure is to exempt contracts for concessions or space set aside on public property for sponsorship or naming rights of state and county buildings from the sealed bid process and fifteen year limitation on concession contracts.

Your Committee received testimony in support of this measure from the Stadium Authority and City and County of Honolulu Department of Parks and Recreation. Your Committee received testimony in opposition to this measure from the Outdoor Circle. Your Committee received comments on this measure from the Airport Concessionaires Committee.

Your Committee finds that contracts for naming rights may provide a much needed revenue stream for certain public facilities. Revenue from such agreements comes at little or no cost to the State and can spark revitalization for underfunded facilities or supply funds for new projects. Some testimony raised concerns about the breadth of the exemption from the established bidding process for concessions and the manner in which names would be displayed on state or county buildings.

Your Committee has amended this measure by:

- (1) Specifying that only the rights to place one or more names on a state or county building are exempt from the sealed bid process and fifteen year limitation on concession contracts; and
- (2) Adding language to specify that any names placed on a state or county building, pursuant to a contract exempt from concession bidding requirements, must be in accordance with applicable county sign ordinances.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 318, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 318, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 957 (Joint) Agriculture and Energy and Environment on H.B. No. 1273

The purpose and intent of this measure is to authorize construction of hydroelectric facilities on agricultural lands; provided that the hydroelectric facilities:

- (1) Have a hydroelectric generating capacity of not more than five hundred kilowatts;
- (2) Comply with the state water code, chapter 174C, Hawaii Revised Statutes;
- (3) Are accessory to agricultural activities; and
- (4) Do not adversely impact or impede the use of agricultural land or the availability of surface or groundwater for all parcels that are served by the groundwater sources or streams for which hydroelectric facilities are considered.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism and Land Use Commission.

Your Committees find that the development of hydroelectric energy-generating facilities in Hawaii are vital to the energy security and energy independence of the State. Your Committees further find that some of the sites that are targeted for the development of hydroelectric energy-generating facilities in Hawaii are located on agricultural lands. Hawaii's agricultural land is a fundamentally important and diminishing resource that is pivotal to the State's initiatives in food security; therefore, your Committees find that the location, construction, and operation of renewable energy facilities must be considered in a manner that promotes food and energy security.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1273, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1273, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 958 Judiciary and Labor on S.R. No. 6

The purpose and intent of this measure is to request the Hawaii Access to Justice Commission to assemble a working group of interested government agencies and community entities to develop a plan for determining which agency or organization should administer funding for civil legal services and submit the plan to the Legislature prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Hawaii Access to Justice Commission, Legal Aid Society of Hawaii, and Volunteer Legal Services Hawaii. Your Committee received comments on this measure from the Office of Community Services.

Your Committee finds that “The 2007 Assessment of Civil Legal Needs and Barriers of Low- and Moderate-Income People in Hawaii” found that only one in five people has civil legal needs addressed and that only one in three people who contact a civil legal service provider is able to get assistance. Civil legal services can support efforts to ensure that government is providing effective services to help those without an attorney navigate the complex legal system. However, funding for civil legal services has decreased over the years. This measure addresses the need for funding by requesting an examination of executive agencies, the Judiciary, and community agencies to determine which agency or organization is most appropriate and suitable to administer general funding for civil legal services to obtain the best results.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii Access to Justice Commission that authorizes the Commission to invite any other stakeholders to participate in the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 6, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 6, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 959 Judiciary and Labor on S.C.R. No. 23

The purpose and intent of this measure is to request the Hawaii Access to Justice Commission to assemble a working group of interested government agencies and community entities to develop a plan for determining which agency or organization should administer funding for civil legal services and submit the plan to the Legislature prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Hawaii Access to Justice Commission, Legal Aid Society of Hawaii, and Volunteer Legal Services Hawaii. Your Committee received comments on this measure from the Office of Community Services.

Your Committee finds that “The 2007 Assessment of Civil Legal Needs and Barriers of Low- and Moderate-Income People in Hawaii” found that only one in five people has civil legal needs addressed and that only one in three people who contact a civil legal service provider is able to get assistance. Civil legal services can support efforts to ensure that government is providing effective services to help those without an attorney navigate the complex legal system. However, funding for civil legal services has decreased over the years. This measure addresses the need for funding by requesting an examination of executive agencies, the Judiciary, and community agencies to determine which agency or organization is most appropriate and suitable to administer general funding for civil legal services to obtain the best results.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii Access to Justice Commission that authorizes the Commission to invite any other stakeholders to participate in the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 23, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 23, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 960 Tourism and International Affairs on H.B. No. 271

The purpose and intent of this measure is to:

- (1) Provide cancellation rights to persons who contract to buy a short-term product in Hawaii; and
- (2) Allow disbursement of purchasers' funds to a developer; provided that the developer first posts a bond or letter of credit.

Your Committee received testimony in support of this measure from the American Resort Development Association Hawaii, Marriott Vacations Worldwide Corporation, Wyndham Vacation Ownership, and Starwood Vacation Ownership. Your Committee received comments on this measure from the Professional and Vocational Licensing Division and Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that short-term products are intended to allow a potential time share buyer the opportunity to stay in a time share resort on a trial basis. If the buyer decides to proceed with a purchase, some or all of the amount paid by the buyer for the short-

term product is typically credited toward the purchase price of the time share interest. Under existing law, there is a seven-day rescission right for the sale of a time share interest, but this rescission right does not apply to sales of short-term products. This measure proposes cancellation rights for persons who contract to buy a short-term product in Hawaii.

Your Committee further finds that under existing law, when a buyer purchases a time share that is in the development stage, the purchaser's funds may be placed in escrow and disbursed to the developer to cover construction costs. However, if the developer defaults, due to the use of subordination clauses in the purchase contract, the buyer's rights are subordinated to the rights of the construction lender. To overcome this disadvantage, other states have adopted laws permitting a time share developer to use buyer deposits upon posting a bond, letter of credit, or other financial assurance. Similarly, this measure allows disbursement of purchasers' funds to a developer if the developer first posts a surety bond or letter of credit.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 271, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 961 Judiciary and Labor on H.B. No. 179

The purpose and intent of this measure is to:

- (1) Establish the forwarding address for receiving a permanent absentee ballot as the in-state mailing address contained in a voter's registration record; and
- (2) Require voters seeking to have permanent absentee ballots forwarded to another address to reapply for an absentee ballot.

Your Committee received testimony in support of this measure from the Office of Elections; Office of the County Clerk, County of Maui; Office of the City Clerk, City and County of Honolulu; Office of the County Clerk, County of Kauai; and League of Women Voters of Hawaii.

Your Committee finds that a permanent absentee voter is required to maintain current information in two separate records: a voter registration record and a permanent absentee record. Permanent absentee ballots are mailed to the mailing address on the permanent absentee record. However, some permanent absentee voters update their voter registration record, but not their permanent absentee record. As a result, the absentee ballots are returned to the respective county clerk's office as undeliverable by the United States Postal Service. This measure will increase efficiency by automatically updating the permanent absentee record when the voter registration record is updated.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of the City Clerk of the City and County of Honolulu that inserts a conforming amendment to the requirements for the voter registration affidavit to clarify that the mailing address required to be included in the residence information be within the county of the applicant; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 179, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 179, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 962 Judiciary and Labor on H.B. No. 346

The purpose and intent of this measure is to:

- (1) Increase to unspecified amounts the fees of the sheriff, deputy sheriff, police officer, or certain independent civil process servers for the service of any civil summons, warrant, attachment, or other civil process; any copy of an attachment and inventory of property attached; any execution; any subpoena; any subpoena duces tecum; any garnishee summons; returning process as unserved; any bill of sale; executing and acknowledging a deed; drawing a bond; or any writ of possession or restitution;
- (2) Increase to an unspecified amount the mileage fee in serving any process; and
- (3) Increase to an unspecified amount the hourly rate that is agreed upon in advance between the party requesting the service and the sheriff, deputy sheriff, police officer, or an independent civil process server performing the service in lieu of any fee under section 607-4(d) or 607-8(a), Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Public Safety and twenty-five individuals. Your Committee received testimony in opposition to this measure from the Collection Law Section of the Hawaii State Bar Association. Your Committee received comments on this measure from the Hawaii Bankers Association, Hawaii Credit Union League, and Hawaii Financial Services Association.

Your Committee finds that periodic fee increases for services rendered may be necessary as operating costs increase. This measure reflects the rise in costs for serving of civil process.

Your Committee has amended this measure by changing the blank amounts to the respective specific amounts reflected in H.B. No. 346 as introduced during the Regular Session of 2015, to encourage further discussion by the Committee on Ways and Means on the service of civil process fee schedules.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 346, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 346, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 963 Judiciary and Labor on H.B. No. 947

The purpose and intent of this measure is to create consistency within the Hawaii Revised Statutes to ensure that the Hawaii State Hospital receives copies of court ordered examination reports upon commitment to the hospital or conditional release.

Your Committee received testimony in support of this measure from the Department of Health.

Your Committee finds that court ordered examination reports provide treatment teams at the Hawaii State Hospital with specific information for treatment focus, planning, and assessment, and management of risk. Under the existing unfit to proceed law, the Department of Health is required to receive the order of commitment accompanied by copies of the court ordered examination papers regarding the physical and mental condition of the defendant. However, under the existing acquit and commitment law, the Department is required to receive only the court order, but not copies of the court ordered examination papers. This measure creates consistency between the laws pertaining to unfit to proceed and acquit and commitment so that the Hawaii State Hospital receives the court ordered examination reports.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 947, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 947, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 964 (Majority) Judiciary and Labor on H.B. No. 1326

The purpose and intent of this measure is to:

- (1) Increase from \$300 to \$750 the threshold value for property or services, theft of which constitutes the offense of theft in the second degree beginning on January 1, 2016; and
- (2) Increase the threshold value annually by two percent of the previous year's threshold value for property or services beginning on January 1, 2017, and on January 1 of each year thereafter.

Your Committee received testimony in support of this measure from the Office of the Public Defender, Community Alliance on Prisons, and two individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Hawaii; Office of the Prosecuting Attorney, County of Kauai; Department of the Prosecuting Attorney, City and County of Honolulu; Kailua Neighborhood Board; ABC Stores; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Retail Merchants of Hawaii; and sixteen individuals.

Your Committee finds that the last time the threshold value of property or services under the offense of theft in the second degree was increased was 1986, and the prices of consumer items have steadily increased since then. This measure updates the threshold value of property under the offense of theft in the second degree to better reflect the continuing rise in prices of consumer items.

Your Committee notes the concerns raised by the Department of the Attorney General that the automatic two percent annual increase of the threshold value for property or services proposed in this measure may create enforcement and prosecution issues. The annual increases will continue to be adjusted at odd amounts that will not be prescribed under law.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that provides an automatic two percent annual increase of the threshold value for property or services;
- (2) Inserting a threshold value for property or services of \$600 rather than \$750; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1326, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1326, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Gabbard). Noes, 1 (Slom). Excused, 2 (Ihara, Thielen).

SCRep. 965 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on H.B. No. 562

The purpose and intent of this measure is to require the installation of a marked crosswalk at a newly constructed, reconstructed, resurfaced, or renovated intersection of two arterial streets.

Your Committees received testimony in support of this measure from the Department of Transportation. Your Committees received comments on this measure from the Department of Transportation Services of the City and County of Honolulu.

Your Committees find that these intersections represent major hubs in our transportation network and pedestrians need to be accommodated. The installation of marked crosswalks will define pedestrian routes and enhance the safety for all roadway users.

Your Committees believe that the City and County of Honolulu should review its existing policy on crosswalks and consider whether changes are necessary since many intersections lack a marked crosswalk.

Your Committees have amended this measure by:

- (1) Adding language to require the addition of adequate lighting when installing a marked crosswalk at a newly constructed, reconstructed, resurfaced, or renovated intersection of two arterial streets; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 562, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 562, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 5; Ayes with Reservations (Harimoto). Noes, none. Excused, 4 (Dela Cruz, English, Inouye, Kouchi).

Public Safety, Intergovernmental and Military Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 966 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on H.B. No. 436

The purpose and intent of this measure is to require approaching vehicles to slow and change lanes when nearing Hawaii emergency management agency vehicles, county emergency management vehicles, and sheriff division vehicles that are stopped for official duties, by amending the definition of "emergency vehicle" in the statewide traffic code to include these vehicles.

Your Committees received testimony in support of this measure from the Department of Public Safety; Department of Defense Hawaii Emergency Management Agency; Department of Emergency Management, City and County of Honolulu; Honolulu Police Department; Hawaii Government Employees Association; County of Kaua'i Civil Defense Agency; Char Hamilton Yoshida & Shimomoto; and fifteen individuals.

Your Committees find that this measure is necessary to assist emergency management and civil defense personnel in the performance of their official duties in disaster situations.

Your Committees have amended this measure by:

- (1) Adding Department of Transportation Harbors Division vehicles, Department of Land and Natural Resources Division of Conservation and Resources Enforcement vehicles, and civil defense vehicles to the definition of "emergency vehicle"; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 436, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 436, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, English, Inouye, Kouchi).

Public Safety, Intergovernmental and Military Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 967 Commerce and Consumer Protection on H.B. No. 770

The purpose and intent of this measure is to authorize:

- (1) Restaurants with a liquor license to sell beer, malt beverages, or cider in certain containers for off-premises consumption, under certain conditions;
- (2) Retail dealers with a liquor license to sell beer, malt beverages, or cider in non-original packages and in certain containers, under certain conditions; and
- (3) Brewpubs and small craft producer pubs with a liquor license to sell malt beverages manufactured on the premises or purchased from another liquor licensee in growlers for off-premises consumption.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association, Maui Brewing Co., Hawaiian Craft Brewers Guild, and Whole Foods Market. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that this measure permits the sale of growlers at all liquor retail establishments and restaurants and allows brewpubs and small craft producer pubs to sell different types of malt beverages in growlers. Implementation of this measure will enable consumers to try an expanded selection of draft beer and will provide the opportunity for growth and expansion of the local craft beer industry.

Your Committee has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 770, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 770, H.D. 1, S.D. 1, and be referred to the Committee on Public Safety, Intergovernmental and Military Affairs.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Taniguchi, Slom).

SCRep. 968 (Joint) Education and Judiciary and Labor on H.B. No. 1349

The purpose and intent of this measure is to amend the probationary period that licensed charter school teachers, who are not yet tenured in the Department of Education, must serve upon entering or returning to the Department of Education, thereby aligning the probationary requirements of all Department of Education teachers, regardless of their teaching experience in a public charter school.

Your Committees received testimony in support of this measure from the Department of Education. Your Committees received comments on this measure from the State Public Charter School Commission and Hawaii State Teachers Association.

Your Committees find that this measure aligns probationary requirements for all Department of Education teachers regardless of employment history. It amends current law which allows a licensed charter school teacher who enters or returns to the Department of Education to gain tenure after only one year of service, while licensed Department of Education teachers must serve three years of probation prior to earning tenure. The three-year probationary period grants principals ample time to observe and support new Department of Education teachers before awarding tenure.

Your Committees have amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Education and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1349, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1349, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Thielen).

SCRep. 969 Education on S.C.R. No. 62

The purpose and intent of this measure is to request the United States Secretary of Agriculture to increase the breakfast, lunch, and afterschool snack reimbursement rate for Hawaii to fifteen percent over the respective reimbursement rates for Alaska.

Your Committee received testimony in support of this measure from the Ulupono Initiative and one individual.

Your Committee finds that the school meal program provides valuable nutrition for many Hawaii children. The high cost of food in Hawaii should be recognized by the United States Department of Agriculture, and properly reflected in the reimbursement rates for school meals and snacks. Additional federal funding for school meals may allow schools to source more fresh local foods, which may aid in Hawaii's goal of becoming more agriculturally sustainable.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 62 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 970 Education on S.R. No. 26

The purpose and intent of this measure is to request the United States Secretary of Agriculture to increase the breakfast, lunch, and afterschool snack reimbursement rate for Hawaii to fifteen percent over the respective reimbursement rates for Alaska.

Your Committee received testimony in support of this measure from the Ulupono Initiative and one individual.

Your Committee finds that the school meal program provides valuable nutrition for many Hawaii children. The high cost of food in Hawaii should be recognized by the United States Department of Agriculture, and properly reflected in the reimbursement rates for school meals and snacks. Additional federal funding for school meals may allow schools to source more fresh local foods, which may aid in Hawaii's goal of becoming more agriculturally sustainable.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 26 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 971 (Joint) Education and Government Operations on H.B. No. 1251

The purpose and intent of this measure is to:

- (1) Provide a framework for public charter school facilities funding and support with adequate prioritization, oversight, and accountability; and
- (2) Provide public charter schools and early learning programs with the opportunity to secure the use of state facilities deemed vacant and appropriate for use.

Your Committees received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii Public Charter Schools Network, Hawaii State Teachers Association, School for Examining Essential Questions of Sustainability, Hawaii Technology Academy, Kona Pacific Public Charter School, West Hawaii Explorations Academy, Kamehameha Schools, and ninety-seven individuals. Your Committees received comments on this measure from the Department of Education, Department of Land and Natural Resources, Department of the Attorney General, and Department of Budget and Finance.

Your Committees find that facilities funding is the greatest financial burden upon public charter schools. Many charter schools improvise by using temporary structures for instruction. Creative solutions and various funding mechanisms are necessary to support public charter schools in acquiring and maintaining facilities.

Your Committees have amended this measure by:

- (1) Reassigning responsibilities regarding the inventory of suitable facilities, drafting rules for the use of vacant facilities, and selection of applicants to use and occupy vacant facilities from the Department of Education to the Department of Accounting and General Services;
- (2) Clarifying the purposes for which the Legislature shall consider making an appropriation and bond authorization to the State Public Charter School Commission by specifying that such appropriation and bond authorization shall be considered for the design, planning, construction, repair, and maintenance of public charter school improvements to address issues of health, safety, and legal compliance; expand or improve instructional space; provide for food services; or provide restroom facilities;
- (3) Establishing the charter school facilities funding working group within the Department of Education rather than within the State Public Charter School Commission;
- (4) Clarifying that the charter school facilities funding working group acts in an advisory capacity only; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1251, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1251, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 972 (Joint) Hawaiian Affairs and Government Operations on H.B. No. 207

The purpose and intent of this measure is to require the Office of Hawaiian Affairs to administer a training course on native Hawaiian and Hawaiian rights for appropriate agencies and employees and to require members of certain state council, board, and commission members to complete the training.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Department of Land and Natural Resources, Land Use Commission, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Ewa Puuloa Hawaiian Civic Club, King Kamehameha Hawaiian Civic Club, Association of Hawaiian Civic Clubs, Kuaaina Ulu Auamano, Kalihi Palama Hawaiian Civic Club, Ka Huli Ao Center, Society for Hawaiian Archaeology, and eighteen individuals. Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and Center for Hawaiian Sovereignty Studies.

Your Committees have amended this measure by:

- (1) Making this measure effective upon approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 207, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 207, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Kahele).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 973 Government Operations on H.B. No. 1275

The purpose and intent of this measure is to designate the official ‘auana and kahiko musical instruments of the State in accordance with the results of the November 2014 WeVoteHawaii election in an effort to enthusiastically support Hawaii’s keiki in voting and the democratic process.

Your Committee received testimony in support of this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the kahiko (traditional) pahu and the ‘auana (modern) ‘ukulele are well-suited to serve as Hawaii’s state instruments, as they are integral to the music of Hawaii which is recognized around the world. Your Committee further finds that Hawaii’s students recognized the ‘ukulele and pahu as representative of Hawaiian culture by voting for them in the WeVoteHawaii online election. WeVoteHawaii is a hands-on civic education experience that teaches students about voting and democracy. The movement of this measure, born from the WeVoteHawaii election results, will further instruct students on democracy and the legislative process.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1275, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 974 (Joint) Higher Education and the Arts and Judiciary and Labor on H.B. No. 457

The purpose and intent of this measure is to appropriate monies for positions and materials to comply with Title IX of the Education Amendments of 1972 and the Violence Against Women Reauthorization Act of 2013.

Your Committees received testimony in support of this measure from the University of Hawaii System; University of Hawaii President’s Commission on the Status of Women; Filipino American Citizens League; Filipino Coalition for Solidarity; Nursing Advocates & Mentors, Inc.; and five individuals.

Your Committees find that sexual violence is prevalent on campuses and is often directed toward young women under the age of twenty-four. The federal government has recognized the need for institutions of higher education to have systems in place to investigate and report instances of sexual violence.

Accordingly, the federal government introduced two measures intended to address this systemic issue on campuses nation-wide. Title IX of the Education Amendments of 1972 was instituted to prohibit discrimination on the basis of sex in the administration of any education program receiving federal funds and ban sexual harassment, discrimination against pregnant and parenting students, and the use of stereotypes and other barriers to limit a person’s access to a particular educational field. In 2013, President Obama signed a bill that strengthened and reauthorized the Violence Against Women Act. That bill included new reporting, policy, and procedural requirements, related to sexual violence, dating violence, domestic violence, and stalking, for every post-secondary institution that receives federal funds.

Your Committees find that this measure will appropriate funds for positions and materials to enable the University of Hawaii to comply with recently expanded mandates relating to Title IX of the Education Amendments of 1972 and the Violence Against Women Reauthorization Act of 2013 and will help the University of Hawaii more effectively address sexual violence on campus.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 457, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 5. Noes, none. Excused, 2 (Inouye, Slom).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Espero, Slom).

SCRep. 975 Higher Education and the Arts on H.B. No. 544

The purpose and intent of this measure is to require the University of Hawaii Board of Regents to study the feasibility of selling or leasing the building that houses the University of Hawaii Cancer Center.

Your Committee received testimony in support of this measure from the University of Hawaii System and two individuals.

Your Committee finds that the University of Hawaii Cancer Center serves an important role in sustaining cancer research in Hawaii. However, given the concurrent decline in cigarette tax revenue and increase in operational expenses for the Cancer Center, there is a growing need to obtain a supplemental revenue source for the University of Hawaii Cancer Center.

Your Committee further finds that the ideal revenue source for the University of Hawaii Cancer Center would be sustainable, such as additional general fund support or conversion of the building bond debt service to a general obligation bond backed by the general fund. Another potential revenue source would be through the lease, partial lease, or sale of the physical structure of the University of Hawaii Cancer Center, or through the lease or sale of the land.

Your Committee has amended this measure by:

- (1) Inserting language requiring the Board of Regents to consider the alternatives of:
 - (A) Leasing or selling the University of Hawaii Cancer Center's underlying land; and
 - (B) Leasing or selling the physical structure of the University of Hawaii Cancer Center, or leasing only a portion of the physical structure;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 544, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Wakai, Slom).

SCRep. 976 (Joint) Higher Education and the Arts and Agriculture on H.B. No. 850

The purpose and intent of this measure is to appropriate funds for critical positions in the Cooperative Extension Service administered by the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committees received testimony in support of this measure from the Department of Agriculture; University of Hawaii System; Hawaii Farm Bureau; Hawaii Farmers Union United; Hawaii Cattlemen's Council, Inc.; Maui County Farm Bureau; Land Use Research Foundation of Hawaii; Hawaii Island School Garden Network; Hawaii Land Restoration Institute; and four individuals.

Your Committees find that extension agents play a critical role in providing education and on-the-ground outreach to farmers and ranchers statewide. Extension agents also serve as a key resource to help farmers to contain pest issues and provide practical applications for research being conducted at the University of Hawaii.

Your Committees also find that the extension faculty workforce in the University of Hawaii College of Tropical Agriculture and Human Resources has decreased significantly over the past twenty years, and in particular, over the past six years. This decreased faculty workforce has occurred as a result of typical retirements and resignations. However, the unique and strained budgeting system, upon which the Cooperative Extension Service is entirely dependent, has prevented the filling of many vacant positions.

Your Committees further find that the Legislature and the people of Hawaii are experiencing an increasing sense of urgency to ensure the continued food security of the State. Food security encompasses a wide range of policies and safeguards, including accelerated training to assist new farmers on safety measures and general farming practices aimed toward decreasing the need for expensive food importation. Extension agents that are deliberately and adequately dispersed throughout the islands provide an increased likelihood of reaching food security and sustainable agricultural practices statewide. This measure would fill immediate needs and provide the time needed to work on including extension functions in budget models currently under development by the University of Hawaii.

Your Committees have amended this measure by:

- (1) Inserting language appropriating funds for the hiring of one full-time equivalent (1.0 FTE) organic agriculture agent in Hawaii County, rather than in the County of Maui;
- (2) Inserting language appropriating funds for the hiring of one full-time equivalent (1.0 FTE) farm food safety agent in the County of Maui, rather than in Hawaii County; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 850, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 850, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 5. Noes, none. Excused, 2 (Kahele, Slom).

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Thielen, Slom).

SCRep. 977 Higher Education and the Arts on H.B. No. 1256

The purpose and intent of this measure is to make an appropriation out of the works of art special fund for the establishment of four full-time equivalent positions (4.0 FTE) at the State Foundation on Culture and the Arts.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts, Hawaiian Mission Houses Historic Site and Archives, and five individuals. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance. Your Committee received comments on this measure from the Department of Accounting and General Services.

Your Committee finds that this measure seeks to establish the four staffing positions at the State Foundation on Culture and the Arts that were lost in 2009 and 2010.

Your Committee further finds that in the 2014 Audit of the Hawaii State Foundation on Culture and the Arts, the Office of the Auditor noted the design of a sound implementation plan and accountability structure were critical to the ultimate success of a strategic planning process. Adequate and proper staffing are significant factors in this implementation plan.

Your Committee further finds that compliance with the regulations of the works of art special fund require the duties and responsibilities of each of the four positions to be directly related to the purpose and mission of the special fund.

Your Committee has amended this measure by inserting language to require that the duties and responsibilities of each of the four positions created be directly related to the purpose and mission of the works of art special fund.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1256, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1256, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Wakai, Slom).

SCRep. 978 Higher Education and the Arts on H.B. No. 604

The purpose and intent of this measure is to designate December 20 of each year as Sakada Day in Hawaii.

Your Committee received testimony in support of this measure from the Consulate General of the Republic of the Philippines, COVO Foundation, Kona Visayan Club, United Filipino Council of Hawaii, and five individuals.

Your Committee finds that approximately one hundred twenty thousand contract laborers from the Philippines, or "Sakadas", arrived in Honolulu to work in the plantation industry between 1906 and 1934. This measure is a fitting recognition of the role of the Sakadas in Hawaii's history and the legacy of hard work, dedication, and love for the land that they gave to generations of Filipinos that followed.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 604, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Wakai, Slom).

SCRep. 979 Human Services and Housing on H.B. No. 119

The purpose and intent of this measure is to empower and assist individuals and families to save private funds to support individuals with disabilities by:

- (1) Requiring the Director of Finance to establish the Hawaii ABLE Savings Program (Program) to provide for individual savings accounts to support individuals with disabilities; and
- (2) Creating the Hawaii ABLE savings program trust fund to support the Program.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, State Council on Developmental Disabilities, Disability and Communication Access Board, Autism Speaks, Autism Society of Hawaii, Children's Community Council of Hawaii, Hawaii Association for Behavior Analysis, National Down Syndrome Society, Easter Seals Hawaii, and one individual. Your Committee received comments on this measure from the Hawaii Disability Rights Center.

Your Committee finds that on December 19, 2014, the federal Achieving a Better Life Experience (ABLE) Act was signed into law, Public Law No. 113-295. The ABLE Act is modeled after 529 college savings plans, in which interest earned on savings is tax-free. Such savings accounts allow individuals with disabilities to have a flexible savings account to accrue funds to pay for expenses such as medical and dental care, education, community-based supports, employment training, assistive technology, housing, and transportation. The ABLE Act recognizes the significant costs of living with a disability by allowing individuals with disabilities to establish private savings accounts while retaining their eligibility for needed public benefits.

Your Committee further finds that individuals with disabilities in Hawaii would greatly benefit from a state program that resembles the federal ABLE Act. Your Committee recognizes the importance of creating a way for individuals with disabilities and their families to save for future disability expenses without losing eligibility for means-tested federal programs like Supplemental Social Security Income and Medicaid. Furthermore, it is the intent of your Committee that, under the Program, individuals with disabilities can themselves contribute to the savings account along with the individuals' family members.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 119, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 980 (Joint) Human Services and Housing and Judiciary and Labor on H.B. No. 827

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and the appropriation of funds for plans, design, and construction of a juvenile services center as part of a mixed-use residential project at 902 Alder Street.

Your Committees received testimony in support of this measure from the Judiciary; Hawaii Housing Finance and Development Corporation; Catholic Charities Hawai'i; Catholic Diocese of Honolulu, Office for Social Ministry; and PHOCUSED.

Your Committees find that there are underutilized parcels of state land in the urban core of Honolulu that could be developed into mixed-use residential projects providing space for government offices, social services, and affordable rental housing. 902 Alder Street, Honolulu, Oahu, which is currently set aside by executive order to the Juvenile Court of the First Circuit, is one such parcel.

Your Committees further find that the Judiciary and the Hawaii Housing Finance and Development Corporation have entered into a memorandum of agreement to develop a juvenile services center that would be integrated with a mixed-use residential project that provides an affordable rental housing project for working families at 902 Alder Street. The juvenile detention center would provide services, programs, and shelter to assist juveniles and their families who are entering the juvenile justice system in order to minimize their time and entrance into the system. The housing component of the mixed-use project would provide approximately one hundred eighty units for lower-income families.

Your Committees note that the estimated costs for the plans, design, and construction for the juvenile services center portion of the mixed-use residential project located at 902 Alder Street, Honolulu, Oahu, is \$25,200,000 and requests that your Committee on Ways and Means take this figure into consideration if it chooses to hear this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 827, H.D. 3, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Green).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Espero, Gabbard, Thielen).

SCRep. 981 (Joint) Human Services and Housing and Judiciary and Labor on H.B. No. 1025

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation Board of Directors to set the salary of its Executive Director; and
- (2) Require the Board to consider withholding or altering the Executive Director's benefits package in exchange for a salary that exceeds that of civil service employees.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committees find that the Hawaii Housing Finance and Development Corporation is the primary state agency charged with overseeing affordable housing finance and development in Hawaii. This is accomplished by working in partnership with residents, government agencies, financiers, and for-profit and non-profit developers.

Your Committees further find that the Executive Director of the Hawaii Housing Finance and Development Corporation, who oversees several key affordable housing programs, including the low-income housing tax credit, rental housing trust fund, and Hula Mae single and multi-family revenue bond programs, has the lowest salary of all state housing finance agencies nationwide. Your Committees believe that allowing the Hawaii Housing Finance and Development Corporation Board of Directors to adequately compensate the Executive Director will enable the Hawaii Housing Finance and Development Corporation to attract and retain an individual that will lead agency staff toward fulfilling the mission of increasing and preserving the supply of workforce and affordable housing statewide.

Your Committees have amended this measure by:

- (1) Deleting language that would have required the Hawaii Housing Finance and Development Corporation Board of Directors to consider withholding or altering the Executive Director's benefits package in exchange for a salary that exceeds that of civil service employees and report such action if the option was exercised; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1025, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1025, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Green).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Espero, Gabbard, Thielen).

SCRep. 982 (Joint) Human Services and Housing and Public Safety, Intergovernmental and Military Affairs on H.B. No. 278

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation, upon request by a county, to establish and operate a county affordable housing subaccount within the dwelling unit revolving fund; and
- (2) Requires the Hawaii Housing Finance and Development Corporation to establish requirements for the establishment and operation of a county affordable housing subaccount.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, City and County of Honolulu office of the Mayor, and Land Use Research Foundation of Hawaii.

Your Committees find that this measure authorizes the Hawaii Housing Finance and Development Corporation to establish and operate a county affordable housing subaccount within the dwelling unit revolving fund. This subaccount will allow state dwelling unit revolving fund monies to be leveraged with county and private funds for the development of affordable housing and will encourage the development of affordable housing units in the counties.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 278, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Sлом).

SCRep. 983 Human Services and Housing on H.B. No. 583

The purpose and intent of this measure is to require the Department of Human Services to annually increase long-term care facilities' payment rates by applying a federally approved inflation factor to the provider's historical costs or basic prospective payment system rates.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Ohana Pacific Management Company, The Queen's Health Systems, Hale Makua Health Services, and five individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that it is critical to close the gap between long-term care facilities' costs and reimbursements for care of Medicaid patients so that all of Hawaii's residents have access to quality health care. Your Committee further finds that the gap between costs and reimbursements has widened significantly in recent years because seventy percent of long-term care facility patients are covered by the state Medicaid program, yet there has been no inflationary update to long-term care facilities' Medicaid reimbursement rates for many years.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 583, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

SCRep. 984 Human Services and Housing on H.B. No. 763

The purpose and intent of this measure is to improve and maintain the health of Hawaii's growing elderly population by requiring and providing funds to the Executive Office on Aging to establish a three-year senior playground pilot program.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Executive Office on Aging.

Your Committee finds that age is the single most important factor influencing health status and the need and demand for health care resources. Estimates indicate one out of every five individuals in the State will be aged sixty-five or older by 2030 and health care costs associated with falls alone approximates \$19,000,000,000 in annual health care costs nationwide. Your Committee further finds that an increasing number of states are establishing senior playgrounds to help keep elderly individuals active, healthy, and safe. Senior playgrounds are designed as fitness parks that keep seniors active and reduce their propensity to fall through active exercise and opportunities to work on balance and dexterity.

Your Committee heard testimony from the Executive Office on Aging expressing concern about building new senior playgrounds due to the Office's lack of resources for program maintenance and supervision, cost of the program, lack of expertise regarding land use and conveyance of land, and questions about program participants and enforcement. The Executive Office on Aging agrees, however, that it is important to address the well-being of Hawaii's older adults, including fitness and fall prevention.

Accordingly, your Committee has amended this measure by changing the pilot program to consist of a collaboration between the Executive Office on Aging and the City and County of Honolulu to identify an existing playground and modify it to include intergenerational activities suitable for older adults. More specifically, your Committee has amended this measure by:

- (1) Amending the name of the pilot program to be the intergenerational playground pilot program instead of the senior playground pilot program;
- (2) Requiring the intergenerational playground pilot program to be a collaboration with the City and County of Honolulu as part of the age-friendly city initiative established by the Mayor of the City and County of Honolulu;
- (3) Deleting provisions of the pilot program that required consultation with various departments and agencies, design and implementation of new senior playgrounds, determination of land available for senior playgrounds, and amendments to respective ordinances and rules to permit senior playgrounds;
- (4) Inserting language that requires the pilot program to identify an existing playground within the City and County of Honolulu and modify the playground to include activities that support the fitness of older adults;
- (5) Inserting language that requires the annual reports regarding the pilot program to be submitted to the Mayor of the City and County of Honolulu in addition to the Legislature, and modifying report requirements to address the nature of the intergenerational playground pilot program; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 763, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 763, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 985 Human Services and Housing on H.B. No. 498

The purpose and intent of this measure is to make appropriations to the Department of Human Services to fund eleven positions in the Adult Protective and Community Services Branch.

Your Committee received testimony in support of this measure from the Department of Human Services and one individual.

Your Committee finds that in 2009, the Adult Protective and Community Services Branch of the Department of Human Services suffered a twenty-five percent reduction in staff due to the economic crisis. That same year, a change in statute expanded the Branch's client population, resulting in a fifty-one percent increase in adult protective services investigations. Your Committee further finds that the Adult Protective and Community Services Branch requires additional staff to effectively serve and protect Hawaii's vulnerable adults who are in danger of being abused, neglected, or financially exploited.

Your Committee has amended this measure by:

- (1) Inserting language that authorizes the Department of Human Services to extend the federal ceiling and increase the federal funds available for the positions within the Adult Protective and Community Services Branch funded by this measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 498, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 498, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 986 (Joint) Human Services and Housing and Health on H.B. No. 1161

The purpose and intent of this measure is to appropriate funds to restore basic adult dental benefits to Medicaid enrollees, provide outreach and eligibility services at federally qualified health centers, and establish health homes for Medicaid enrollees at federally qualified community health centers.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Hawaii Primary Care Association, The Queen's Health Systems, Hawaii Dental Association, and three individuals. Your Committees received comments on this measure from the Department of Health and Department of Human Services.

Your Committees find that the State benefits from ensuring that Hawaii residents have access to primary, behavioral, dental, and preventive health care. Your Committees note the critical importance of restoring adult dental benefits for Medicaid enrollees and for funding community health centers, which serve uninsured, underinsured, and low-income populations. Community health centers currently serve one-fourth of Hawaii's Medicaid members and much of the State's homeless population. In addition to providing a patient-centered delivery system of medical, behavioral, and dental health services, community health centers are a smart investment that save the State money. Community health centers save the health care system \$1,263 per patient per year due to timely, effective care, and care management.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$4,800,000 to restore adult dental benefits to Medicaid enrollees;
- (2) Inserting an appropriation amount of \$800,000 for outreach and eligibility services at community health centers;

- (3) Inserting an appropriation amount of \$1,000,000 to be appropriated out of the community health centers special fund to establish health homes for Medicaid enrollees at federally qualified community health centers;
- (4) Inserting a general revenue appropriation of \$1,000,000 for the administrative support of the health homes program;
- (5) Inserting a general revenue appropriation of \$6,000,000 for direct health care for uninsured and underinsured patients at community health centers; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1161, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1161, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

SCRep. 987 (Joint) Human Services and Housing and Public Safety, Intergovernmental and Military Affairs on H.B. No. 1314

The purpose and intent of this measure is to establish an emergency home relocation special fund to provide infrastructure development, grants, and loans to assist persons dispossessed from their homes as a result of a natural disaster.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Hawaii Island Community Alliance Partners; Neighborhood Place of Puna; Hope Services Hawaii, Inc.; and five individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that natural disasters, such as the ones that have recently impacted portions of Hawaii Island, can have a devastating effect on affected communities, particularly those who lose their homes. This measure establishes an emergency home relocation special fund to provide infrastructure development, grants, and loans to assist persons displaced from their homes as a result of a natural disaster and will serve as an important future safety net for communities and families throughout the State.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1314, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 988 (Joint) Human Services and Housing and Public Safety, Intergovernmental and Military Affairs on H.B. No. 277

The purpose and intent of this measure is to authorize the Hawaii Housing Finance and Development Corporation, upon request by the counties, to issue revenue bonds to provide funding for infrastructure development in the county through community facilities districts.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, and Land Use Research Foundation of Hawaii.

Your Committees find that the lack of available land with infrastructure is a significant barrier to affordable housing development in Hawaii. This measure provides a potential financing option that will support affordable housing development by authorizing counties to use their community facilities district authority to establish a repayment mechanism to fund needed infrastructure development.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 277, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 989 (Joint) Human Services and Housing and Commerce and Consumer Protection on H.B. No. 768

The purpose and intent of this measure is to expand the Hawaii Public Housing Authority's power to dispose of property seized, abandoned, or remaining upon eviction in and at public housing projects, elder or elderly housing, or state low-income housing projects.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committees find that the Hawaii Public Housing Authority is limited to removing abandoned or seized personal property at state low-income housing projects and may only do so in federal low-income public housing after an eviction. This measure allows the Hawaii Public Housing Authority to better manage the upkeep and turnover of its units by eliminating abandoned and unwanted property in an expeditious manner.

Your Committees have amended this measure by:

- (1) Requiring the Hawaii Public Housing Authority to send notice by certified mail at least five, rather than ten calendar days prior to disposition of the abandoned or seized property; and
- (2) Amending the minimum storage fee that must be paid to repossess abandoned or seized property from \$5 per day to \$25 per day.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 768, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 768, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Sлом).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kahale, Taniguchi, Sлом).

SCRep. 990 Commerce and Consumer Protection on H.B. No. 576

The purpose and intent of this measure is to:

- (1) Amend the scope of the State Innovation Waiver Task Force; and
- (2) Appropriate funds for expenses related to developing a waiver from certain provisions of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act).

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Human Services, Healthcare Association of Hawaii, Hawaii Association of Health Plans, Hawaii Medical Service Association, Hawai'i Primary Care Association, The Queen's Health Systems, Chamber of Commerce Hawaii, and Hawaii Substance Abuse Coalition.

Your Committee finds that this measure amends the scope of the State Innovation Waiver Task Force (Task Force), established by Act 158, Session Laws of Hawaii 2014 (Act 158), to conform with the requirements of section 1332 of the Affordable Care Act, relating to state innovation waivers. The Affordable Care Act waiver is an important tool that allows states to amend provisions of the Affordable Care Act to better support unique circumstances that exist in each state's health care market.

Your Committee further finds that a state innovation waiver is particularly important for Hawaii, which has already benefited from the success of the Prepaid Health Care Act. Supporting the Task Force will enable Hawaii to remain at the forefront of health policy innovation, comply with the Affordable Care Act, ensure the Prepaid Health Care Act coexists and complements the Affordable Care Act, and improve the overall functioning of the State's health care system.

However, your Committee notes that this measure retains existing language in Act 158 that requires the Task Force to examine the feasibility of alternative approaches to specific health reform requirements contained in the Affordable Care Act and examine the feasibility of options for providing affordable insurance coverage for uninsured and underinsured individuals in Hawaii that include innovations to the State's existing Medicaid program. Your Committee has heard the concerns that these requirements may potentially delay the request from the State for the innovation waiver.

Your Committee notes that the companion to this measure, S.B. No. 1341, S.D. 1 (Regular Session of 2015), which was previously passed by the Senate, is a substantially similar measure that provides resources to develop a waiver from certain provisions of the Affordable Care Act but does not request the Task Force to examine the feasibility of alternative approaches to the health reform requirements described in the Affordable Care Act. Your Committee concludes that the language in S.B. No. 1341, S.D. 1, is preferable because it directs more of the Task Force's efforts on highlighting and complementing the already successful Prepaid Health Care Act.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 1341, S.D. 1, a substantively similar measure, which:
 - (A) Requires the State Innovation Waiver Task Force to develop a plan for applying for a state innovation waiver that meets certain requirements of the Affordable Care Act;

(B) Amends the requirements of the interim report to be submitted to the Legislature no later than twenty days prior to the Regular Session of 2016; and

(C) Appropriates an unspecified sum for expenses related to developing an Affordable Care Act waiver; and

(2) Retaining an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 576, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 576, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 991 (Majority) Commerce and Consumer Protection on H.B. No. 1467

The purpose and intent of this measure is to:

- (1) Enable the Hawaii Health Connector (Connector) to offer large group coverage to insurers, beginning January 1, 2017;
- (2) End transitional renewal policies, beginning January 1, 2016;
- (3) Require health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector;
- (4) Expand the potential small businesses market in the Connector by amending the current definition of "small employer" under section 431:2-201.5, Hawaii Revised Statutes;
- (5) Require insurers with a small group market share that exceeds twenty percent of the State's market to offer specified gold and platinum level qualified health plan coverage through the Connector; and
- (6) Require health insurers offering qualified plans to offer the opportunity to contract for services covered by the qualified plan to any willing federally-qualified health center.

Your Committee received testimony in support of this measure from the Hawai'i Primary Care Association and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association, Kaiser Permanente Hawaii, Hawaii Association of Health Plans, and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of the Attorney General, Department of Commerce and Consumer Affairs, and Department of Human Services.

Your Committee finds that this measure offers several options to strengthen the Connector, including ending transitional renewal policies on January 1, 2016. Your Committee notes that transitional renewal policies, also known as grandmothers health plans, do not provide all of the features and protections of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). Ending these transitional renewal policies on January 1, 2016, will simplify health plan choices for individuals and small businesses and will ensure that all plans offered in Hawaii are fully compliant with the Affordable Care Act.

Your Committee further finds that this measure requires a health plan issuer to offer to contract with any willing federally qualified health center (FQHC) for the provision of services and requires the issuer to reimburse the FQHC at Medicaid rates as a condition of certification by the Insurance Commissioner. However, your Committee has heard concerns raised by the Department of the Attorney General that this measure establishes criteria for certification of a qualified health plan that does not allow the flexibility for a health plan issuer to choose which FQHC it would offer to contract with or negotiate and mutually agree upon rates, other than the Medicaid reimbursement rate, which is inconsistent with federal law.

Your Committee additionally finds that this measure requires an insurer who has over twenty percent of the small group market to participate in the Connector's small business health options program (SHOP). However, your Committee has also heard the concerns that this requirement may place that insurer at a competitive disadvantage against other insurers who are not subject to the twenty percent market share threshold. Your Committee has also heard testimony that mandatory participation in SHOP may raise certain constitutional concerns.

Your Committee notes that the companion to this measure, S.B. No. 1338, S.D. 2 (Regular Session of 2015), which was previously passed by the Senate, also offers a number of options to strengthen the Connector, including enabling the Connector to offer large group coverage to insurers, ending transitional renewal policies in the State, requiring health insurers to provide notice about options for affordable coverage under the Connector, and changing the definition of "small employers" in Hawaii. The language proposed by S.B. No. 1338, S.D. 2, will provide for a stronger Connector and a better marketplace for consumers and is preferable because it does not include the provisions regarding FQHCs or mandatory SHOP participation proposed by this measure, which raised concerns during testimony.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 1338, S.D. 2, a substantively similar measure, which:
 - (A) Enables the Connector to offer large group coverage to insurers, beginning January 1, 2017;
 - (B) Ends transitional renewal policies, beginning January 1, 2016;
 - (C) Requires health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector;

(D) Expands the potential small businesses market in the Connector by changing the threshold number of employees under the definition of “small employer” in section 431:2-201.5, Hawaii Revised Statutes, from fifty employees to an unspecified number of employees; and

(E) Includes an effective date of July 1, 2020, to encourage further discussion; and

(2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1467, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1467, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kidani).

SCRep. 992 Commerce and Consumer Protection on H.B. No. 279

The purpose and intent of this measure is to allow the Real Estate Commission to take disciplinary action if a real estate broker or real estate salesperson for a seller or buyer of real estate acts in a manner that prohibits a prospective buyer or seller from being able to retain a real estate broker or real estate salesperson.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Real Estate Commission. Your Committee received comments on this measure from the Hawai'i Association of REALTORS.

Your Committee finds that this measure adds a new basis for disciplinary action against a real estate broker or salesperson who acts in a manner that prohibits a seller or purchaser of real estate from retaining the services of a real estate broker or salesperson. According to testimony received by your Committee, there may be instances where prospective buyers are prohibited from obtaining the services of a real estate broker or salesperson when purchasing real estate. This measure discourages these practices and protects consumers by focusing on the conduct of a real estate broker or salesperson acting on behalf of either the seller or the purchaser.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 279, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 993 Commerce and Consumer Protection on H.B. No. 1272

The purpose and intent of this measure is to require motion picture theaters that have more than two facilities in the State to provide open movie captioning and descriptive narration for at least two showings per week of a motion picture.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Division of Vocational Rehabilitation of the Department of Human Services, Disability and Communication Access Board, State Council on Developmental Disabilities, Aloha State Association of the Deaf, Hawaii Deaf Surfriders Association, Hawaii School for the Deaf and Blind Alumni Club, and thirteen individuals. Your Committee received testimony in opposition to this measure from the Motion Picture Association of America and Consolidated Theatres.

Your Committee finds that individuals who are deaf, hard of hearing, or blind or have low vision often encounter communication barriers at movie theaters. According to testimony received by your Committee, movie theaters may make captioning available via the use of various assistive devices; however, these devices are uncomfortable and often hard to use. Further, some movie theaters unilaterally select and provide only one form of access for persons with disabilities, and that form of access is not always conducive to a comfortable and enjoyable movie theater experience.

Your Committee further finds that the discriminatory effects of these communication barriers are contrary to the full inclusion of persons with disabilities contemplated by the federal Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, as amended. This measure proposes to remove these communication barriers and provide equal access to persons who are deaf, hard of hearing, or blind or have low vision by requiring motion picture theaters with more than two facilities in the State to provide open movie captioning and descriptive narration for at least two showings per week of a motion picture.

Your Committee additionally finds that the Hawaii Civil Rights Commission and the Disability and Communication Access Board have collaborated on language to clarify the motion picture theater accommodations proposed by this measure. Amendments to this measure are therefore necessary to reflect language suggested by these parties.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that every motion picture theater operator in more than two locations in the State shall provide open movie captioning during at least two showings per week of each motion picture offered for viewing;
- (2) Inserting language to require every motion picture theater operator in the State that offers motion pictures for viewing to the general public to provide audio description of any motion picture produced and offered with audio description, upon request;
- (3) Specifying that the accommodation requirements proposed by this measure apply to motion pictures produced and distributed with necessary auxiliary aids and services and do not prohibit the showing of motion pictures produced and distributed without these auxiliary aids and services but requiring notice to the public for those motion pictures produced and distributed without captioning and audio description; and

- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that in 2014, the United States Department of Justice published a notice of proposed rulemaking to propose amendments to federal regulations regarding movie captioning and audio description. However, final action on the proposed rule has yet to occur. Your Committee concludes that it is important to continue discussions on accommodation requirements for motion picture theaters as proposed by this amended measure. This amended measure will ensure that all citizens of Hawaii, including those individuals who are deaf, hard of hearing, or blind or have low vision, are given equal opportunities to enjoy movies offered for viewing in the State.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1272, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1272, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Kahele, Slom). Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 994 Commerce and Consumer Protection on H.B. No. 858

The purpose and intent of this measure is to:

- (1) Permit the termination of residential rental agreements in cases of domestic violence; and
- (2) Specify additional procedures under the residential landlord-tenant code for instances of domestic violence.

Your Committee received testimony in support of this measure from PHOCUSED, Catholic Charities Hawai'i, Hawai'i Appleseed Center for Law and Economic Justice, Ala Kuola, and four individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Hawai'i Association of REALTORS.

Your Committee finds that housing is a critical issue for domestic violence victims. Inability to exit a rental agreement quickly and without penalties or fees may serve as a barrier that prevents a domestic violence victim from leaving an abusive relationship. Domestic violence victims who break a rental agreement in an effort to exit a dangerous situation may be unable to pay fees or other associated penalties. This can have a negative impact on a victim's credit, which may make it more difficult to secure housing at a later date. Your Committee further finds that this measure enables victims of domestic violence to terminate residential rental agreements and specifies procedures under the residential landlord-tenant code for instances of domestic violence, thereby strengthening protections for domestic violence in the community.

Your Committee has amended this measure by:

- (1) Clarifying requirements for a landlord to refund security deposits or prepaid rent following the termination of the rental agreement;
- (2) Specifying that the percentage of any security deposit to be returned shall be determined by the court or by the parties in writing, but permitting the landlord to refund the security deposit in equal shares to each tenant on the rental agreement, if there is no court determination or agreement from the parties in writing;
- (3) Inserting an effective date of November 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 858, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 858, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Nishihara).

SCRep. 995 Public Safety, Intergovernmental and Military Affairs on H.B. No. 87

The purpose and intent of this measure is to exempt process servers who enter or remain in or upon the premises or land of another for the purpose of making a good faith attempt to serve process upon certain individuals from the offenses of criminal trespass in the first and second degrees.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that process servers are an important part of the judicial process. Oftentimes, there is a need for a process server to enter or remain in or upon the premises of another for the purpose of making a good faith attempt to serve process upon certain individuals.

Your Committee further finds that additional process server requirements improve the quality of civil process servers without placing an undue burden on individuals who seek to be included on the Director of Public Safety's list of qualified civil process servers.

Accordingly, your Committee has amended this measure by:

- (1) Requiring independent civil process servers to meet additional requirements in order to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Making permanent Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process;

- (3) Inserting an effective date of June 29, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 87, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 87, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 996 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on H.B. No. 158

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the County of Maui for the prosecution of cases in Drug Court and Mental Health Courts, including the hiring of necessary staff.

Your Committees received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kauai, Office of the Prosecuting Attorney of the County of Hawaii, Department of the Prosecuting Attorney of the County of Maui, and Police Department of the County of Maui.

Your Committees find that the Drug Court and Mental Health Court programs help offenders turn their lives around and receive appropriate treatment and cost the State significantly less money per day compared to incarceration. Implementation of this measure decreases criminal activity and provides the necessary resources to assist offenders in receiving appropriate guidance and treatment.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 158, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).
Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 997 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on H.B. No. 894

The purpose and intent of this measure is to authorize the Enhanced 911 Board to hire its own staff to perform administrative functions.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, Enhanced 911 Board, Police Department of the City and County of Honolulu, Police Department of the County of Hawaii, Police Department of the County of Maui, and one individual.

Your Committees find that the Enhanced 911 Board was created to collect and expend funds so that the public safety answering points would be able to install and maintain equipment capable of providing enhanced 911 services. Since its inception in 2004, the Enhanced 911 Board's authority has increased, yet the Board has had no authority to hire employees and has been forced to rely on consultants to sustain its operations. Implementation of this measure will further assure that the Enhanced 911 Board is able to continue its mission in overseeing the State's emergency reporting needs.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 894, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 894, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).
Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 998 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on H.B. No. 1005

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Veterans Treatment Court.

Your Committees received testimony in support of this measure from the Judiciary; Department of Defense; Office of Veterans Services; Veterans Advisory Board; Department of the Prosecuting Attorney of the City and County of Honolulu; Hawaii Substance Abuse Coalition; Veterans of Foreign Wars of the United States, Hawaii; and two individuals. Your Committees received comments on this measure from the Office of the Prosecuting Attorney of the County of Hawaii.

Your Committees find that the Veterans Treatment Court provides critical services to the State's citizens, including minimizing recidivism. Money spent on this program is an efficient use of resources as the Veterans Treatment Court provides the State's veterans with support services and swift and effective justice, lessens caseloads and long court delays, and reduces recidivism.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1005, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 999 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on H.B. No. 1198

The purpose and intent of this measure is to appropriate funds as a grant to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Honolulu Family Justice Center.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Department of the Prosecuting Attorney of the County of Maui, Office of the Prosecuting Attorney of the County of Kauai, Honolulu Family Justice Center, Ala Kuola, and two individuals.

Your Committees find that the Honolulu Family Justice Center provides victims of domestic violence, sexual assault, and human trafficking with a safe environment during some of their most vulnerable stages of separation from their abuser. Implementation of this measure will provide comprehensive services to victims, facilitate prosecution of domestic violence, sexual assault, and human trafficking offenses, and ultimately provide better assurance that more offenders are held accountable for their actions.

Your Committees have amended this measure by:

- (1) Replacing "grant pursuant to chapter 42F, Hawaii Revised Statutes" with "grant-in-aid";
- (2) Deleting risk assessment training and evaluation services from the allowed uses of the appropriated funds; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1198, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1198, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Galuteria).

Judiciary and Labor
Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1000 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.C.R. No. 28

The purpose and intent of this measure is to request that the Honolulu Police Department establish a family violence unit staffed with officers specifically trained to handle all complaints of family violence.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from the Police Department of the City and County of Honolulu.

Your Committees find that domestic violence is one of the most underreported crimes, as victims often fear retaliation, consider an incident a private matter, or believe that the police are unable to do anything about an incident. Several police departments throughout the nation and elsewhere in the world have set up specific divisions to handle domestic violence cases. Establishing a family violence unit within the Honolulu Police Department will help reduce violence, ensure compassionate assistance to victims, and enable more effective prosecution of abusers.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 28 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1001 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.R. No. 9

The purpose and intent of this measure is to request that the Honolulu Police Department establish a family violence unit staffed with officers specifically trained to handle all complaints of family violence.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from the Police Department of the City and County of Honolulu.

Your Committees find that domestic violence is one of the most underreported crimes, as victims often fear retaliation, consider an incident a private matter, or believe that the police are unable to do anything about an incident. Several police departments throughout the nation and elsewhere in the world have set up specific divisions to handle domestic violence cases. Establishing a family violence unit within the Honolulu Police Department will help reduce violence, ensure compassionate assistance to victims, and enable more effective prosecution of abusers.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 9 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1002 Judiciary and Labor on S.C.R. No. 18

The purpose and intent of this measure is to request the Judiciary to convene a working group to examine Hawaii's enhanced sentencing and extended sentencing laws and submit a report of the working group's findings and recommendations to the Legislature prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons and one individual. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that Hawaii's enhanced sentencing law authorizes the court to sentence a person convicted of second degree murder to life imprisonment without the possibility of parole under certain circumstances, including the court's finding that the murder was especially heinous, atrocious, or cruel. Your Committee also finds that Hawaii's extended sentencing law seeks to address those situations involving convicted defendants whose records and situations suggest a need for extended incarceration to protect the public. Under sections 706-661 and 706-662, Hawaii Revised Statutes, the court may sentence a person to an extended term of imprisonment if certain criteria are met. This measure convenes a working group to examine the number of cases within the last ten years in which the prosecutor or court sought enhanced sentencing and enhanced sentencing was granted and in which the prosecutor or court sought extended sentencing, review the criteria for extended terms of imprisonment, and determine whether further statutory clarity is necessary to ensure that the State's extended sentencing laws are effective.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 18, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 18, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1003 Public Safety, Intergovernmental and Military Affairs on H.B. No. 365

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the City and County of Honolulu for the purchase of wearable body camera technology and to establish the Honolulu Police Department body camera pilot program for one hundred officers; provided that no funds appropriated to the county shall be expended unless matched dollar-for-dollar by the county.

Your Committee received testimony in support of this measure from the State of Hawaii Organization of Police Officers, IMUAlliance, and one individual.

Your Committee finds that the use of wearable body camera technology provides law enforcement officers and civilians with added security in their actions. Law enforcement officers and civilians who are aware that they are being videotaped are more likely to behave in a calm manner, ensuring the safety of the public and increasing law enforcement effectiveness and transparency. Implementation of this measure promotes transparency, accountability, and protection for law enforcement officers and civilians.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 365, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1004 Public Safety, Intergovernmental and Military Affairs on H.B. No. 456

The purpose and intent of this measure is to establish that citizen complaints against a police officer that involve allegations of domestic abuse against a family or household member on the part of the police officer are not required to be in writing or sworn to by the complainant.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Domestic Violence Action Center, Hawaii State Democratic Women's Caucus, Hawaii Women's Coalition, and one individual. Your Committee received testimony in opposition to this measure from the State of Hawaii Organization of Police Officers and three individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that as part of the police union's collective bargaining agreement, all external complaints against a police officer, including domestic violence complaints, must be in writing and sworn to by the complainant. This requirement may discourage individuals involved in a domestic dispute with a police officer from reporting the abuse and re-victimizes a complainant by forcing the complainant to swear to something in writing. Domestic violence victims should not have to go through a stringent process with little anonymity to make a complaint. Implementation of this measure provides domestic violence victims with a mechanism to make a domestic violence complaint and avoid re-victimization.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 456, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 456, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1005 Public Safety, Intergovernmental and Military Affairs on H.B. No. 564

The purpose and intent of this measure is to appropriate funds to the state Department of Defense for programs, ceremonies, and activities commemorating the fiftieth anniversary of the Vietnam War.

Your Committee received testimony in support of this measure from the State Office of Veterans Services; Veterans Advisory Board; Military Officers Association of America, Hawaii Chapter; and six individuals.

Your Committee finds that the Vietnam War is a chapter in American's history that must never be forgotten. During the Vietnam War, more than 58,000 members of the United States Armed Forces were killed, over 153,000 were wounded, and as of 2014, there remain 1,638 Americans who are unaccounted for. It is important that the State honor the sacrifices of the men and women who served and remember the suffering and loss of life of all who were involved.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 564, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1006 Public Safety, Intergovernmental and Military Affairs on H.B. No. 1119

The purpose and intent of this measure is to appropriate funds to the Office of Veterans Services to cover the burial costs of Filipino veterans of World War II, including the cost of returning the veterans' remains to the Philippines for burial.

Your Committee received testimony in support of this measure from the State Office of Veterans Services; Veterans Advisory Board; Consulate General of the Republic of the Philippines of Honolulu; National Association for Uniformed Services, Hawaii Chapter; World War II Fil-Am Veterans and Ladies Auxiliary, Hawaii Chapter; and three individuals.

Your Committee finds that during World War II, Filipino soldiers fought, suffered, and died in their efforts to defend and reclaim the Philippine Islands from foreign aggression and provide the Allied forces with a strategic base from which the final effort to bring an end to World War II was launched. Many of these Filipino soldiers have been denied burial benefits, including the return of their remains to the Philippines, due to the Office of Veterans Services' lack of funds. Implementation of this measure will recognize the sacrifices of many World War II Filipino veterans and their final wishes to be buried in their homeland.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1119, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1007 (Joint) Education and Health on H.B. No. 1440

The purpose and intent of this measure is to support the Hawaii Keiki: Healthy and Ready to Learn program by appropriating funds for the program.

Your Committees received testimony in support of this measure from the Department of Education, Department of Education Nanakuli-Waianae Complex Area, Department of Education Kapaa-Kauai-Waimea Complex Area, Department of Education Kau-Keaau-Pahoa Complex Area, Department of Education Farrington-Kaiser-Kalani Complex Area, Department of Education Castle-

Kahuku Complex Area, Department of Education Kailua-Kalaheo Complex Area, Nanaikapono Elementary School, Kekeha Elementary School, Olomana School, University of Hawaii System, Hawaii Pacific Health, Kapiolani Child Protection Center, Medical Litigation Consultants, and seven individuals. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the Centers for Disease Control and Prevention suggest a ratio of one nurse per seven hundred fifty students. The Department of Education employs only five nurses for schools statewide. Before students can be truly present and ready to learn in the classroom, they must have their basic health and nutrition needs met.

Your Committees further find that the Nanakuli-Waianae Complex Area participated in a pilot project that introduced an advance practice registered nurse to the schools. The pilot program has been a success and administrators see the introduction of healthcare resources as a means to address chronic absenteeism caused by common ailments and promote public health. Providing preventive and emergency care through schools has also proven to relieve stress on parents, and minimize the time students are out of the classroom for the purpose of basic medical care. The Hawaii Keiki: Healthy and Ready to Learn program will increase healthcare access for children in Hawaii, provide preventive care, and ultimately produce a healthy student population prepared to learn and contribute in the classroom.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1440, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

Health

Ayes, 5. Noes, none. Excused, 2 (Riviere, Slom).

SCRep. 1008 (Joint/Majority) Education and Health on H.B. No. 578

The purpose and intent of this measure is to require all children attending Department of Education schools to provide written documentation of a physical examination performed within the twelve months prior to attending seventh grade.

Your Committees received testimony in support of this measure from the Department of Education, Department of Health, University of Hawaii System, Waianae Coast Comprehensive Health Center, Hawaii Medical Service Association, Hawaii Public Health Institute, Hawaii Island School Garden Network, Hawaii Primary Care Association, American Academy of Pediatrics Hawaii Chapter, and four individuals.

Your Committees find that students are only required to undergo a physical examination for purposes of school enrollment prior to entering kindergarten or first entering the public schools. Many other states and private schools have additional physical examination requirements. Requiring a physical examination prior to entering seventh grade coincides with adolescent immunization updates and is a good time for doctors to conduct routine screenings and provide health counseling. The requirement would also promote more regular doctor visits for children, many of whom only visit a doctor for emergencies or acute illnesses.

Your Committees have amended this measure by making a technical amendment for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 578, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 578, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, 1 (Slom). Excused, 2 (Keith-Agaran, Kouchi).

Health

Ayes, 5. Noes, none. Excused, 2 (Riviere, Slom).

SCRep. 1009 (Joint/Majority) Education and Health on H.B. No. 459

The purpose and intent of this measure is to:

- (1) Specify content required to be included in any sexuality health education program funded by the State;
- (2) Require each public elementary, middle, intermediate, high, and alternative school operated by the Department of Education to provide sexuality health education;
- (3) Provide parameters for implementation of sexuality health education programs; and
- (4) Require the Department of Education to make a list of qualifying sexuality health education curricula available to the public.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Hawaii Youth Services Network; IMUAlliance; Hawaii Women's Coalition; Kokua Kalihi Valley Comprehensive Family Services; Democratic Party of Hawaii Gay, Lesbian, Bisexual, and Transgender Caucus; Hawaii State Democratic Women's Caucus; Planned Parenthood of Hawaii; American Association of University Women of Hawaii; Hawaii Women Lawyers; and twenty-two individuals. Your Committees received testimony in opposition to this measure from The Ohana Project, Hawaii Christian Coalition, Ola Nui, and one hundred seven individuals. Your Committees received comments on this measure from the Department of Education and one individual.

Your Committees find that medically accurate sexuality health education is necessary to convey accurate information to students about their bodies, relationships, abstinence, contraception, and prevention of unintended pregnancy and sexually transmitted disease. While sexuality health education is already in place in many schools, this measure is an important step toward more uniform curricula that is accessible to the public. This measure also includes important parameters that grant discretion to the Department of Education regarding the content of sexuality health education in the elementary schools.

Your Committees have amended this measure by:

- (1) Adding language that allows parents or guardians of students in kindergarten through fifth grade to opt-in to permit their child to participate in sexuality health education programs, and allows parents or guardians of students in grades six through twelve to opt-out to deny permission for their child to participate in sexuality health education programs; and
- (2) Deleting the requirement that the Department of Education report to the Legislature annually regarding participation rates and outcomes of the Department of Education's policy to allow parents to opt-in to participate in sexuality health education programs.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 459, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 459, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 4. Noes, 3 (Harimoto, Nishihara, Slom). Excused, 2 (Keith-Agaran, Kouchi).

Health

Ayes, 4. Noes, 2 (Gabbard, Riviere). Excused, 1 (Slom).

SCRep. 1010 Energy and Environment on H.B. No. 139

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Anaergia Inc. (Anaergia) with the development of facilities for renewable nonfossil fuel energy production in Maui.

Your Committee received testimony in support of this measure from Ulupono Initiative; Anaergia Services, LLC; West Maui Taxpayers Association and two individuals. Your Committee received testimony in opposition to this measure from Zero Waste Kauai and one individual. Your Committee received comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that Anaergia, a global leader in renewable energy and waste-to-energy conversion, proposes to build, own, and operate a project located in central Maui that is designed to process up to seven hundred tons per day of municipal solid waste, green waste, and sewage sludge. The development of renewable, efficient, and secure energy systems in the State, which is geographically isolated from sources of oil, continues to be in the public interest. Implementation of this measure will create new jobs and reduce waste and transportation costs while furthering the State's renewable energy goals.

Your Committee has amended this measure by:

- (1) Clarifying that revenue secured from the special purpose revenue bonds will allow Anaergia to improve its ability to maintain current industry standards;
- (2) Clarifying that facility outputs shall be made available by sale directly from Anaergia to viable off-takers, by sale to electric utilities servicing the public, or both;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 139, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 139, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1011 Energy and Environment on H.B. No. 241

The purpose and intent of this measure is to extend the Department of Budget and Finance's authorization to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, from June 28, 2015, to June 30, 2020.

Your Committee received testimony in support of this measure from Ulupono Initiative, Blue Planet Foundation, and Honolulu Seawater Air Conditioning, LLC.

Your Committee finds that traditional air conditioning systems consume massive amounts of electricity. Seawater air conditioning uses cool seawater, rather than electricity, to cool buildings. Throughout the world, seawater air conditioning technology has replaced the energy-intensive central refrigeration system of a traditional air-conditioning system. Implementation of this measure will improve energy and fresh water conservation, which are critical to the State's economy and sustainability.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 241, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1012 (Joint) Energy and Environment and Agriculture on H.B. No. 507

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture to, in cooperation with the University of Hawaii College of Tropical Agriculture and Human Resources, research and develop methods for the prevention and treatment of macadamia felted coccid.

Your Committees received testimony in support of this measure from the Department of Agriculture; Chamber of Commerce Hawaii; Maui Chamber of Commerce; Maui County Farm Bureau; Hawaii Farm Bureau; Land Use Research Foundation of Hawaii; Hawaii Macadamia Nut Association; Royal Hawaiian Orchards LP.; and five individuals.

Your Committees find that macadamia nuts are among the top five grossing agricultural commodities in Hawaii. The State harvested an estimated forty-four million pounds in macadamia nut crop for the 2012-2013 crop year. The estimated farm value of macadamia nuts for that same year is \$35,200,000. In March 2005, the macadamia felted coccid was discovered on macadamia nut trees in south Kona, and infestations of macadamia felted coccid have now spread from south Kona to the Pahala area. This insect can cause severe damage to macadamia nut trees when uncontrolled, and the macadamia felted coccid has the potential to spread to other regions and counties of Hawaii if uncontrolled and devastate the macadamia nut industry. The implementation of this measure will assist in combating this insidious pest and protecting the health of the macadamia nut industry that is vital to the State.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 507, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 507, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Agriculture
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1013 Energy and Environment on H.B. No. 1140

The purpose and intent of this measure is to establish a temporary income tax credit for the cost of upgrading or converting a cesspool to a septic system or an aerobic treatment unit system or connecting a cesspool to a sewer system.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Farm Bureau, The Nature Conservancy, Surfrider Foundation Hawaii Chapters, Hawaii Association of REALTORS, and two individuals. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and two individuals.

Your Committee finds that contamination from cesspools poses a risk to the water quality in ocean water, surface water, and groundwater. Upgrading or converting cesspools to septic systems or aerobic treatment unit systems or connecting cesspools to sewer systems will protect the quality of the State's nearshore waters and drinking water supplies. However, there are significant costs associated with cesspool conversion. Implementation of this measure will ease the financial burden associated with cesspool conversions and incentivize cesspool owners to upgrade or convert their cesspool systems.

Your Committee has amended this measure by:

- (1) Amending section 1 to clarify that priority should be given to cesspool owners who request financial assistance to upgrade, convert, or connect cesspools that affect public drinking water wells or are within two hundred feet of the shoreline, streams, or wetlands;
- (2) Limiting the cesspool upgrade, conversion, or connection income tax credit to the qualified expenses of the taxpayer, up to \$5,000;
- (3) Authorizing the Director of Health to adopt rules under chapter 91, Hawaii Revised Statutes, including rules that prioritize upgrades for cesspool locations with the highest risk of harm to public health and the environment; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1140, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1140, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1014 (Joint) Energy and Environment and Government Operations on H.B. No. 1394

The purpose and intent of this measure is to require the Department of Transportation to:

- (1) Conduct a feasibility study on the use of water scalping technology in state facilities; and
- (2) Submit to the Legislature a report of findings and recommendations no later than November 30, 2016.

Your Committees received testimony in support of this measure from the Department of Transportation and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that as an island state, Hawaii has limited access to natural fresh water supplies. The increase in development, population growth, and climate change will threaten fresh water access, and innovative water conservation options need to be explored. Water scalping is a decentralized method of water treatment and conservation that involves the extraction of valuable, usable water from a sewerage network. By treating this extracted water to achieve varying degrees of water safety and quality, otherwise unused and wasted water is able to be reclaimed and put to beneficial uses. The implementation of this measure will reduce the State's reliance on conventional water supplies and further the State's goal of sustainability.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1394, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1394, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Green).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 1015 Energy and Environment on H.B. No. 1513

The purpose and intent of this measure is to:

- (1) Establish within the Department of Business, Economic Development, and Tourism a two-year alternative energy research and development pilot program;
- (2) Authorize the High Technology Development Corporation to provide matching grants to qualified businesses conducting research and development in alternative energy;
- (3) Establish the alternative energy research and development revolving fund; and
- (4) Appropriate funds to provide grants during the two-year alternative energy research and development pilot program.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, Hawaii Renewable Energy Alliance, Navatek Ltd., Pacific Shipyards International, Pacific Marine, and forty-four individuals.

Your Committee finds that the State's clean energy initiative is rooted in the principle of maximizing cost effective investments in clean energy production and management to promote the State's energy security. Encouraging high-impact, clean energy solutions inspires innovative economic development. Implementation of this measure will move the State toward a more sustainable future by promoting alternative energy research and development and encouraging the development of clean energy technologies.

Your Committee has amended this measure by:

- (1) Clarifying that a business must have a competitive contract with the Department of Defense Office of Naval Research that is related to the research of alternative energy and energy efficiency technologies in certain fields, rather than a grant related to the production of alternative energy;
- (2) Amending the requirement that eighty percent or more of a business must be resident-owned to sixty percent or more;
- (3) Amending the minimum number of years that a business must have been doing business in the State in order to be grant-eligible from thirty years to one year;
- (4) Inserting language requiring that businesses have a contract, funded by monies designated by the United States Congress as funding for alternative energy or a national defense budget funding directive, with the Department of Defense Office of Naval Research that is existing and active or was granted within three years prior to the effective date of this measure, as evidence that the business conducts research in alternative energy that has a high technology readiness level or high potential for implementation; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1016 (Joint) Energy and Environment and Commerce and Consumer Protection on H.B. No. 1471

The purpose and intent of this measure is to:

- (1) Apply the environmental response, energy, and food security tax to all fossil fuels sold by a distributor to a retail dealer or end user, other than a refiner, of fossil fuel;
- (2) Require a percentage of the environmental response, energy, and food security tax on fossil fuels that is collected to be deposited into the energy security special fund, energy systems development special fund, and agricultural development and food security special fund;
- (3) Exempt coal used to produce electricity, under certain conditions, from the environmental response, energy, and food security tax that applies to all fossil fuels;
- (4) Authorize independent power producers to pass the environmental response, energy, and food security tax that applies to all fossil fuels on to an electric utility, who may in turn recover the cost through a surcharge, subject to approval by the Public Utilities Commission; and
- (5) Authorize gas utilities to recover the cost of the environmental response, energy, and food security tax on all fossil fuels without approval by the Public Utilities Commission.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; Hawaii Renewable Energy Alliance; AES Hawaii, Inc.; Hawaii Gas; and one individual. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Blue Planet Foundation.

Your Committees find that the State is precariously dependent on imported food and energy. The environmental response, energy, and food security tax, also known as the barrel tax, is a vital revenue source that supports critical investments and initiatives in clean energy, local agricultural production, and environmental response. The implementation of this measure will reduce the State's dependence on imported fossil fuels and further the State's goals of food and energy self-reliance.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1471, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1471, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kahele, Taniguchi, Slom).

SCRep. 1017 (Joint) Human Services and Housing and Transportation on S.C.R. No. 35

The purpose and intent of this measure is to request the Hawaii Housing Finance and Development Corporation and the Honolulu Authority for Rapid Transportation to:

- (1) Conduct a joint study addressing the demand for workforce housing and transit-oriented development; and
- (2) Create a development plan for workforce housing expansion.

Your Committees received testimony in support of this measure from the Honolulu Authority for Rapid Transportation, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, Hawai'i Association of REALTORS, Land Use Research Foundation of Hawaii, and one individual. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation; and Department of Planning and Permitting, City and County of Honolulu.

Your Committees find that the lack of workforce housing is a serious and immediate concern for many of the State's residents. The demand for workforce housing units along with the inevitable increase in population require the State to take swift and decisive action to prevent more families from being left helpless and homeless. The development of workforce housing units around transit-centered communities will encourage families to utilize public transportation, providing the transit system with a baseline for ridership.

Your Committees have amended this measure by:

- (1) Amending language to request that the City and County of Honolulu Department of Planning and Permitting and Hawaii Housing Finance and Development Corporation, with support from the Honolulu Authority for Rapid Transportation, conduct the joint study addressing workforce housing and transit-oriented development;
- (2) Inserting language to include in the joint study an evaluation of options to encourage construction of other public uses, in addition to workforce housing units and workforce rental units, in all transit-oriented development zones; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Transportation that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 35, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 35, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Transportation

Ayes, 5. Noes, none. Excused, 4 (Espero, Inouye, Kidani, Slom).

SCRep. 1018 (Joint) Human Services and Housing and Transportation on S.R. No. 11

The purpose and intent of this measure is to request the Hawaii Housing Finance and Development Corporation and the Honolulu Authority for Rapid Transportation to:

- (1) Conduct a joint study addressing the demand for workforce housing and transit-oriented development; and
- (2) Create a development plan for workforce housing expansion.

Your Committees received testimony in support of this measure from the Honolulu Authority for Rapid Transportation, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, Hawai'i Association of REALTORS, Land Use Research Foundation of Hawaii, and one individual. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation; and Department of Planning and Permitting, City and County of Honolulu.

Your Committees find that the lack of workforce housing is a serious and immediate concern for many of the State's residents. The demand for workforce housing units along with the inevitable increase in population require the State to take swift and decisive action to prevent more families from being left helpless and homeless. The development of workforce housing units around transit-centered communities will encourage families to utilize public transportation, providing the transit system with a baseline for ridership.

Your Committees have amended this measure by:

- (1) Amending language to request that the City and County of Honolulu Department of Planning and Permitting and Hawaii Housing Finance and Development Corporation, with support from the Honolulu Authority for Rapid Transportation, conduct the joint study addressing workforce housing and transit-oriented development;
- (2) Inserting language to include in the joint study an evaluation of options to encourage construction of other public uses, in addition to workforce housing units and workforce rental units, in all transit-oriented development zones; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Transportation that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 11, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 11, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Transportation

Ayes, 5. Noes, none. Excused, 4 (Espero, Inouye, Kidani, Slom).

SCRep. 1019 Human Services and Housing on H.B. No. 1347

The purpose and intent of this measure is to amend the Supplemental Nutrition Assistance Program eligibility requirements to increase the number of potential beneficiaries by appropriating funds to the Department of Human Services to hire staff, improve the Department's electronic system's capacity, and contract for services necessary to effectively implement and spread awareness of the Program.

Your Committee received testimony in support of this measure from the Department of Human Services and two individuals.

Your Committee finds that Hawaii should respond to the United States Department of Agriculture's mandate to amend Supplemental Nutrition Assistance Program income eligibility requirements to increase the number of potential program beneficiaries. According to the Department of Human Services, Hawaii receives over \$500,000,000 annually for the Supplemental Nutrition Assistance Program but ranks thirty-seventh in the country for program participation per capita. Your Committee further finds that the Department of Human Services requires financial assistance to administer the necessary changes to the Supplemental Nutrition Assistance Program that follow the federal government's 2010 increase to the gross income limit to qualify for the Program.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1347, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1020 Human Services and Housing on H.B. No. 1432

The purpose and intent of this measure is to establish the interim assistance reimbursement special fund so that the Department of Human Services can preserve from one fiscal year to the next any interim assistance reimbursements received from the federal government for state-funded financial assistance payments and programs to assist recipients who qualify for supplemental security income benefits.

Your Committee received testimony in support of this measure from the Department of Human Services. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that it is important to provide financial stability to state-funded assistance programs. Your Committee further finds that Hawaii's state-funded financial assistance program is not financially stable. During times of economic downturn, the Department of Human Services runs low on general assistance funds and is left with the option to reduce or terminate monthly allotments to disabled single adults or request an emergency appropriation from the Legislature. Your Committee finds that establishing an interim assistance reimbursement special fund would provide more stability to the general assistance funds by allowing the Department to retain interim assistance reimbursements received from the federal government for a prior fiscal year on behalf of individuals who qualify for supplemental security income. Currently, the Department is not allowed to keep such funds for the general assistance program and instead is required to deposit the reimbursements into the general fund. Allowing the Department to preserve the federal reimbursements from one fiscal year to the next will allow the Department to increase general assistance payments earlier and in a higher amount.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1432, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1021 (Joint) Agriculture and Economic Development and Technology on H.B. No. 1225

The purpose and intent of this measure is to authorize the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform:

- (1) Planning and feasibility studies for one or more quarantine inspection, quarantine treatment, deconsolidation, and consolidation facilities on the Island of Hawaii; and
- (2) A marketing and economic impact analysis for one or more of the facilities.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Land Use Research Foundation of Hawaii; Hawaii Farm Bureau; Hawaii Farmers Union United; The Nature Conservancy; Coordinating Group on Alien Pest Species; Hawaii Floriculture and Nursery Association; REALTORS Association of Maui, Inc.; Hawaii Association of REALTORS; Hawaii Island School Garden Network; and two individuals. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that one of the missions of the Department of Business, Economic Development, and Tourism is to promote industrial development and economic diversification by supporting existing and emerging industries, increasing exports of Hawaii products, and expanding Hawaii's participation in global trade and commerce; however, increased trade leads to an increased risk for invasive species. Given the Island of Hawaii's strong orientation toward diversified agriculture, development of a central marketing facility for collection, consolidation, packing, and shipping of products is a priority. Your Committees further find that to preserve and increase the value of agriculture as an economic driver, the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, should perform planning and economic impact and feasibility studies for one or more facilities on the Island of Hawaii for quarantine inspection, quarantine treatment, deconsolidation, and consolidation of agricultural commodities for import and export purposes.

Your Committees have amended this measure by inserting language to include Kona International Airport as an alternative location for one or more quarantine inspection, quarantine treatment, deconsolidation, and consolidation facilities.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1225, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1225, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Agriculture
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).
Economic Development and Technology
Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1022 Water and Land on H.B. No. 611

The purpose and intent of this measure is to appropriate funds to the State Historic Preservation Division of the Department of Land and Natural Resources to implement an acceptable data management plan for the digitization of historic preservation records and to establish full-time positions to carry out the Division's services.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Historic Hawaii Foundation; Society for Hawaiian Archaeology; Land Use Research Foundation of Hawaii; and one individual.

Your Committee finds that the State Historic Preservation Division of the Department of Land and Natural Resources has made enormous strides in resolving the management and performance problems identified by the United States National Park Service and reflected in the corrective action plans. In May 2014, the State Historic Preservation Division submitted its Corrective Action Plan (2) Final Report, which included the various plans, reports, and operating procedures required to meet the National Park Service's requirements. In June 2014, the National Park Service accepted and approved all documents submitted as part of the Corrective Action Plan (2) Final Report except the data management plan. The State Historic Preservation Division has advised the National Park Service and the Legislature that it will work to revise the data management plan to make it acceptable. Because the data management plan includes digitization of over 3,600,000 pages of documents, as well as creation of several databases, a geographic information system, and integration of all these items into a single functioning system, the State Historic Preservation Division advised the National Park Service and the Legislature that it does not have the funds necessary to implement this project.

Your Committee also finds that transitioning to digital data management, as well as effective ongoing management of the State Historic Preservation Division's records, maps, reports, inventory documents, databases, and geographic information system, requires additional staff. The National Park Service has directed the State Historic Preservation Division to hire a librarian to oversee its library, reports, and files. Given the size of the Division's document collections, the librarian and the Division will require four additional administrative staff to support the project and operate the system once the transition is completed.

Your Committee has amended this measure by:

- (1) Clarifying that the purpose of the appropriation in section 3 is to implement a data management plan for the digitization of historic preservation records; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 611, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 611, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1023 Water and Land on S.C.R. No. 44

The purpose and intent of this measure is to request the Chairperson of the Board of Land and Natural Resources to establish the Lipoa Point Management Council to explore options to protect and preserve the area's condition, provide support for the community, preserve cultural and recreational access, and protect the pristine marine environment.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Aha Moku Advisory Committee.

Act 241, Session Laws of Hawaii 2013, required the Department of Land and Natural Resources, in consultation with the Hawaiian Islands Land Trust, to engage to acquire the parcel of land located at Lipoa Point on Maui. On June 20, 2014, the Governor released \$19,500,000 for the purchase of Lipoa Point and its surrounding 280 acres of undeveloped land.

Lipoa Point consists of two hundred forty-four acres of natural pristine land, forest, coastline, and open space once used to grow pineapple. Lipoa Point includes an access trail to the Honolua-Mokuleia Bay marine life conservation district, which is heavily used by snorkelers, a heavily used unimproved access road that leads to scenic views of the coastline, and trail access used by many surfers. Lipoa Point's primary public value is as an open space with key access points to the shoreline with associated cultural values, wildlife preservation, and access to the ocean for recreational opportunities.

Your Committee finds that there is an immediate need for a master plan to provide the basis of management direction that balances the obligation to protect the quality of the waters, determine stakeholders' interests, and clearly define the ancillary long-term policies, goals, and costs associated with public use. Your Committee further finds that there are community resources available to assist a community-based management plan to assist the Department of Land and Natural Resources and thereby minimize resources dedicated to this project.

Your Committee has amended this measure by:

- (1) Deleting a reference to the Lipoa Point Management Council members having to establish rules for internal administration;
- (2) Adding the Save Honolua Coalition to the list of recipients of certified copies of this measure; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 44, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 44, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1024 Water and Land on H.B. No. 822

The purpose and intent of this measure is to make an appropriation for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Department of Agriculture; Mayor of the County of Maui; Chamber of Commerce Hawaii; Hawaii Cattlemen's Council; Hawaii Crop Improvement

Association; Ka'u Soil and Water Conservation District; Hawaii Farm Bureau Federation; Central Maui Soil and Water Conservation District; East Kauai Soil and Water District; Maui County Farm Bureau; Hawaii Association of Conservation Districts; South Oahu Soil and Water Conservation District; Larry Jefts Farms LLC; Land Use Research Foundation of Hawaii; Ponoholo Ranch, Ltd.; and fourteen individuals.

Your Committee finds that soil and water conservation districts have worked to improve Hawaii's environment and economy through major projects over the past sixty years, such as improving farm practices, reducing erosion, augmenting ocean water quality, improving drinking water quality, and fighting invasive species. In addition, the districts assist with reviewing each county's grading permits and conservation plans that are critical to proper county grading permit reviews, preserving the environment, stimulating the economy, and maintaining individual livelihoods. Soil and water conservation districts also provide educational and community support for conservation awareness, including introducing elementary school students to conservation principles and participating in high school resource conservation and development projects.

Your Committee further finds that the demand and accompanying workload of the conservation districts have increased dramatically with population growth and land use changes. The districts receive hundreds of requests for conservation plans and county grading permit reviews each year. As a result, districts are currently struggling to keep pace with the demand, and adequate funding for the work of the Hawaii Association of Conservation Districts is in serious jeopardy at a time of critical demand for its services.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 822, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1025 Water and Land on H.B. No. 527

The purpose and intent of this measure is to appropriate funds for lifeguards at Kua Bay, located in Kekaha Kai State Park on the Island of Hawaii, an area under the jurisdiction of the Department of Land and Natural Resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that lifeguards serve an essential function in a state surrounded by the ocean and possessing numerous freshwater attractions. Lifeguards rescue potential drowning victims, administer first aid, and teach water safety. Lifeguards allow the public to enjoy the natural beauty of our waters and contribute to Hawaii's reputation as a desirable place to live and visit. The Island of Hawaii does not currently have state-funded lifeguards at Kua Bay, located in Kekaha Kai State Park.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 527, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1026 Water and Land on H.B. No. 440

The purpose and intent of this measure is to provide funding for projects undertaken in accordance with watershed management plans; equipment for fire, natural disaster, and emergency response; and forest and outdoor recreation improvement.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; State Fire Council; Kauai Fire Department; Coordinating Group on Alien Pest Species; Big Island Invasive Species Committee; Kauai Invasive Species Committee; O'ahu Invasive Species Committee; Hawai'i Green Growth; Conservation Council for Hawai'i; The Nature Conservancy; Land Use Research Foundation of Hawaii; Kauai Watershed Alliance; Dole Food Co. Hawaii; and five individuals.

Your Committee finds that protecting and restoring Hawaii's forests are critical for climate-change resiliency on many levels. In addition to increasing supplies of fresh water, forests also reduce stress on coral reefs and fisheries by preventing erosion.

Your Committee further finds that Hawaii's responders need access to new technologies developed to increase efficiency and the effectiveness of detection and response to these types of natural disasters that affect natural environments as well as public safety.

Your Committee further finds that trails, public access, and other infrastructure allow the people of Hawaii to experience the islands' natural environment. Statewide improvements are needed to address the deteriorating conditions of these trails, particularly high-use trails frequented by visitors. Furthermore, development, particularly in rural areas, can restrict access points for the public to hike, gather, and hunt in public lands. Funding is needed to improve the infrastructure and access necessary to connect people to the natural environment, which provides so many benefits to the health of Hawaii's people and economy.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 440, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1027 Water and Land on H.B. No. 1410

The purpose and intent of this measure is to distinguish the current state youth conservation corps program from other federal and nationally affiliated Youth Conservation Corps programs by changing statutory references, including the title of part IV of chapter 193, Hawaii Revised Statutes, from "Youth Conservation Corps" to "Hawaii Youth Conservation Corps".

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that currently, chapter 193, part IV, Hawaii Revised Statutes, titled "Youth Conservation Corps", principally applies to the State's youth conservation corps program. However, several other federal departments and national affiliates also have programs called the Youth Conservation Corps. This creates confusion, both from a practical and legal perspective. This measure distinguishes the state program from the other similarly named programs as well as accurately reflects the state program's intention and function.

Your Committee has amended this measure by:

- (1) Changing the effective date to upon approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1410, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1410, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 1028 (Joint) Health and Human Services and Housing on H.B. No. 1195

The purpose and intent of this measure is to increase the capacity from two to three nursing facility level residents in type I expanded adult residential care homes.

Your Committees received testimony in support of this measure from thirty-three individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that our State is facing a long-term care crisis because there are not enough long-term care facilities to meet the State's healthcare needs. The shortage of long-term care facilities is negatively affecting acute care facilities because patients must often remain in acute care while waiting for an opening in a long-term care facility. This causes great and unnecessary expense to acute care hospitals, patients, and insurance providers and needlessly occupies beds needed for acute care patients.

Your Committees have amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1195, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1195, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1029 (Joint) Health and Human Services and Housing on H.B. No. 581

The purpose and intent of this measure is to:

- (1) Continue the hospital sustainability program for one year; and
- (2) Appropriate funds out of the hospital sustainability program special fund for fiscal year 2015-2016.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation, Chamber of Commerce Hawaii, Hawaii Primary Care Association, United Public Workers, Healthcare Association of Hawaii, and The Queen's Health Systems. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the Legislature created the hospital sustainability program by enacting Act 217, Session Laws of Hawaii 2012, to increase Medicaid payments to hospitals in recognition that Medicaid payments to hospitals were below the actual costs of care. Because of the hospital sustainability program, Medicaid payments to many facilities in the State are closer to the actual costs of care, which helps to ensure that Medicaid patients have access to the hospital care that they need.

Your Committees have amended this measure by:

- (1) Specifying that the inpatient hospital sustainability fee shall not exceed 2.400 percent of net inpatient hospital service revenue;
- (2) Specifying that the Department of Health shall use monies from the hospital sustainability program special fund to make direct payments to private hospitals based on the amount made available by the State's Section 1115 waiver to cover the uncompensated care costs incurred by private hospitals for serving Medicaid and uninsured individuals during fiscal year 2015-2016;

- (3) Amending the outpatient and inpatient uncompensated care reimbursement rates for eligible hospitals;
- (4) Specifying that level II trauma centers shall receive increased Medicaid reimbursements for each Medicaid day reported;
- (5) Specifying that specialty children's hospitals that are exempt from the inpatient and outpatient hospital fee assessments shall receive increased Medicaid reimbursements for each Medicaid discharge reported; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 581, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 581, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1030 (Joint) Health and Human Services and Housing on H.B. No. 1377

The purpose and intent of this measure is to:

- (1) Make an appropriation to develop the specifications and pricing, as well as an implementation plan, for a web-based data system in the Early Intervention Section of the Department of Health; and
- (2) Make an appropriation for operating expenses and to establish one permanent coordinator position in the Children with Special Health Needs Branch of the Department of Health to improve social-emotional and behavioral outcomes for children from birth to age five.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Hawaii Early Intervention Coordinating Council, and PROJECT VISION HAWAII. Your Committees received comments on this measure from the Department of Health.

Your Committees find that Hawaii has served as a pioneer and leader in population-based child health promotion, identification, and intervention programs. These initiatives, designed and field-tested in Hawaii, serve as the foundation for health care delivery systems across the country for children with special health care needs and their families, as well as those who are at risk. The web-based data system and coordinator position supported by this measure would enable more effective and efficient state early intervention services and support for children with special needs.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1377, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1031 Health on H.B. No. 851

The purpose and intent of this measure is to appropriate funds to establish an advanced life support ambulance to be based in Puna on the Island of Hawaii, including the acquisition of a vehicle and equipment and personnel costs for state-certified emergency medical services personnel.

Your Committee received testimony in support of this measure from the East Hawaii Region of the Hawaii Health Systems Corporation, Hawai'i Fire Department, United Public Workers, and two individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that Puna community residents on the Island of Hawaii are in great need of an additional advanced life support ambulance to augment the current Hawaii County Fire Department's Emergency Medical Services System. Puna has become the fastest growing district in the State, with a current population of more than 45,000 individuals and a projected population to surge to approximately 75,000 individuals within the next 15 years.

Your Committee further finds that the ongoing lava flow has exacerbated the need to serve the nearly 10,000 residents within the projected impact area. Critical transportation infrastructure continues to be affected, which will result in delayed emergency medical care for the residents of Puna if additional resources are not provided. The travel time to Hilo, once the flow crosses Highway 130, is expected to increase from the current average of thirty minutes to two hours.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 851, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1032 Health on H.B. No. 354

The purpose and intent of this measure is to, beginning with the July 1, 2017, licensing biennium, require licensed registered nurses and licensed practical nurses to submit evidence of completed continuing competency requirements prior to the renewal of the license.

Your Committee received testimony in support of this measure from the Board of Nursing, Hawaii State Center for Nursing, Hawai'i Pacific Health, Hawaii Association of Professional Nurses, University of Hawaii at Mānoa Nursing, Hawaii Government Employees Association, and fourteen individuals.

Your Committee finds that the requirement of all candidates for an initial nurse license to pass a national examination has resulted in the consistent practice of quality health care services administered to the public. This examination safeguards the quality of health care practices by ensuring that each candidate possesses the minimum competencies necessary for a newly-licensed, entry-level registered or practical nurse to perform the job safely and effectively. Despite the clear benefits of this safeguard, continuing competency requirements are not currently instituted for nurse licensure renewal applications in the State. Your Committee finds that the most efficient means to ensure patient safety is to require Hawaii-licensed nurses to complete continuing competency requirements prior to any application for license renewal, restoration, or reinstatement.

Your Committee has amended this measure by deleting its contents and inserting substantively similar contents from S.B. No. 735, S.D. 2, Regular Session of 2015, which includes the following major differences from H.B. No. 354, H.D. 2:

- (1) Specifies different continuing education options for licensees who graduated or completed pre-licensure requirements from an accredited nursing program more than twelve months but less than two years prior to the renewal date;
- (2) Includes participation as a preceptor as one of the learning activity options available to meet the continuing competency requirement; and
- (3) Inserts an effective date of upon approval.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 354, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 354, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1033 Health on H.B. No. 589

The purpose and intent of this measure is to require the Department of Health to establish a stroke coalition and a stroke database.

Your Committee received testimony in support of this measure from the Department of Health; Hawai'i Pacific Health; Healthcare Association of Hawaii; Rehabilitation Hospital of the Pacific; Hawaii Stroke Coalition; The Queen's Health Systems; Hawaii Neurological Society; American Heart Association; National Active and Retired Federal Employees Association, Hawaii State Federation of Chapters; and four individuals.

Your Committee finds that the rapid identification, diagnosis, and treatment of strokes can save the lives of stroke patients and, in some cases, can reverse neurological damage such as speech and language impairments or paralysis, leaving stroke patients with few or no neurological deficits. Despite significant advances in diagnosis, treatment, and prevention, stroke is a leading cause of death nationally and in Hawaii.

Your Committee further finds that although treatments are available to improve the clinical outcomes of stroke, acute care hospitals need sufficient trained staff and equipment to optimally triage and treat stroke patients. A system is needed in our communities to ensure the provision of optimal, safe, and effective emergency care in a timely manner to improve the overall treatment of stroke patients in order to increase survival and decrease incidents of disabilities associated with stroke.

Your Committee has amended this measure by:

- (1) Inserting findings recommending that the system of care for treatment of stroke patients should include input and advice from national subject matter organizations;
- (2) Adding a definition for "stroke database";
- (3) Clarifying that the Department of Health shall participate in a systematic process to evaluate, improve, and sustain stroke care throughout the State;
- (4) Specifying the elements of the stroke system of care to include a requirement that hospitals meet specific stroke patient treatment capabilities, coordination with the State's emergency medical services system, and continuation of a statewide stroke coalition;
- (5) Inserting language that specifies the Department of Health's role in participating in the stroke coalition;
- (6) Deleting language that required the Department of Health to convene a stroke coalition, specified the duties of the stroke coalition, and required the Department to establish a stroke database;
- (7) Inserting language to require all acute care hospitals that receive stroke patients from emergency medical services to report data consistent with requirements of the stroke database on the treatment of all individuals with a suspected or confirmed stroke;

- (8) Inserting language to require the Department of Health to participate in a stroke database that compiles information on stroke care for the evaluation of stroke care in the State;
- (9) Specifying that the Department of Health and stroke coalition shall not disclose confidential information or data;
- (10) Amending the effective date to upon approval; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 589, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 589, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1034 Health on H.B. No. 696

The purpose and intent of this measure is to establish the Hawaii Healthcare Workforce Advisory Board to help increase and strengthen the healthcare workforce in the State.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Department of Commerce and Consumer Affairs, University of Hawaii at Mānoa, Hawaii Primary Care Association, and Chamber of Commerce Hawaii.

Your Committee finds that Hawaii's healthcare demands will dramatically increase in the upcoming decade due to additional requirements established by the federal Patient Protection and Affordable Care Act of 2010 and the already widening health disparity among Hawaii's residents. However, with careful planning and preparation, Hawaii can meet these demands and ensure that access to quality healthcare remains a priority. Specifically, the State must follow the recommendations made by the Hawaii Healthcare Workforce 20/20 plan to strengthen the pipeline into health careers and must take additional efforts toward meeting the health-related objectives and policies established by the Hawaii State Planning Act.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 696, H.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1035 Health on H.B. No. 1241

The purpose and intent of this measure is to appropriate funds for Department of Health lead poisoning prevention activities.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that it is well-established that lead poisoning is a serious problem that can cause permanent health damage, including intellectual disabilities, learning and behavior problems, high blood pressure, damage to the brain, nervous system, kidneys, and red blood cells, as well as coma and death in severe cases. Even at low levels, lead exposure can result in adverse health effects, especially in young children. Though the reported number of children in Hawaii with elevated blood lead levels has decreased over time, elevated blood lead levels among children continue to be a concern. An additional concern is that the percentage of the State's children who are screened for lead exposure is estimated to be only one-third of the children that the Centers for Disease Control and Prevention recommends to be screened, which means that the blood lead levels of the unscreened children are unknown and untreated.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1241, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1036 Health on H.B. No. 586

The purpose and intent of this measure is to:

- (1) Prohibit the use of tobacco products and electronic smoking devices on premises of the facilities operated by the Hawaii Health Systems Corporation; and
- (2) Require the Hawaii Health Systems Corporation to provide at the Hawaii Health Systems Corporation's expense tobacco cessation programs to its public employees.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Health Systems Corporation, East Hawaii Region of the Hawaii Health Systems Corporation, Coalition for a Tobacco Free Hawai'i, American Heart Association, Healthcare Association of Hawaii, and nine individuals. Your Committee received testimony in opposition to this measure from the United Public Workers, Local 646; Hawaii Smokers Alliance; and seventeen individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that facilities within the Hawaii Health Systems Corporation are committed to providing quality healthcare for the people of Hawaii and taking steps to reduce the occurrence of preventable disease. Permitting the use of tobacco and other

potentially dangerous substances on the premises of its health facilities is inconsistent with this commitment. Allowing such use would not only expose patients, employees, and visitors to the perils of harmful substances, but would also be counterproductive to the Corporation's goal of reducing the occurrence of preventable disease.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 586, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Wakai).

SCRep. 1037 Health on H.B. No. 481

The purpose and intent of this measure is to make an appropriation for one advanced life support ambulance to be based in Makalei on the Island of Hawaii, to be used from 8:00 a.m. to 10:00 p.m., and to include vehicle acquisition, equipment acquisition, and personnel costs.

Your Committee received testimony in support of this measure from the County of Hawai'i, Hawai'i Fire Department; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; Daniel R. Sayre Memorial Foundation; and five individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the Makalei fire station in North Kona, on the Island of Hawaii, serves one of the fastest growing districts in the State. However, this station was never equipped or staffed with an advanced life support ambulance to serve the emergency medical services response needs of area residents. Your Committee further finds that emergency medical services response time significantly impacts the overall delivery time of a patient to definitive treatment at an emergency room. Trauma, stroke, and other cardiac emergencies are extremely time sensitive, and rapid transport to definitive treatment for patients with these emergencies often makes the difference between life and death.

According to testimony received by your Committee, the current emergency medical services response within the Makalei district must arrive from other fire stations, located between eight and twenty-seven miles away. Patients treated and transported within the North Kona district are therefore at a disadvantage due to the increased response and transport times. This measure appropriates funds for an advanced life support ambulance based in the Makalei area of the island of Hawaii, which will help meet the ever-increasing demands for emergency medical services in North Kona.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 481, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1038 Health on H.B. No. 1063

The purpose and intent of this measure is to appropriate funds for an additional emergency medical services unit in the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas.

Your Committee received testimony in support of this measure from the Honolulu Emergency Services Department, Emergency Medical Service Division; United Public Workers, Local 646; and two individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that more emergency services are needed in the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas on the island of Oahu. As calls for emergency response services increase, a greater burden is placed on the City and County of Honolulu Emergency Medical Services Division to respond to emergency calls in these areas. This increased workload threatens the ability of the Division to provide acceptable levels of emergency medical services.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1063, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1039 Health on H.B. No. 448

The purpose and intent of this measure is to:

- (1) Require the Department of Health to conduct reviews of domestic violence fatalities, near-deaths, and suicides within one year of any occurrence; and
- (2) Authorize the Department of Health to enter into memoranda of understanding to obtain information relating to near-deaths resulting from intimate partner violence.

Your Committee received testimony in support of this measure from the Department of Health, PHOCUSED, and one individual.

Your Committee finds that in Hawaii, it is estimated that about 132,000 adults experience intimate partner violence in their lifetime. However, the majority of those adults do not report such experiences to authorities. This measure will further increase the understanding of domestic violence by the community and provide much needed feedback and data for agencies and organizations.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 448, H.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1040 Health on H.B. No. 464

The purpose and intent of this measure is to appropriate funds to the Department of Health for the purchase of one ambulance vehicle and operational costs for one ambulance unit to service the area of Kakaako in the City and County of Honolulu.

Your Committee received testimony in support of this measure from the Honolulu Emergency Services Department, Emergency Medical Service Division; United Public Workers, AFSCME, Local 646, AFL-CIO; and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the population of the area of Kakaako in the City and County of Honolulu has recently undergone a dramatic increase in population. Correspondingly, there has been a steady and marked increase of calls for emergency medical services in the Kakaako area. According to testimony received by your Committee, the total call volume for the Emergency Medical Service Division of the Honolulu Emergency Services Department has increased eighteen percent over the last four years. Over half of the total call volume for the Emergency Medical Service Division is run by seven units, primarily in the urban Honolulu area. This measure appropriates funds for an additional ambulance unit for the rapidly growing Kakaako area, which will allow for a more even distribution of call coverage and decrease overall response time for emergency medical services.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 464, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1041 Health on H.B. No. 782

The purpose and intent of this measure is to:

- (1) Require the Department of Health to establish a public education program to inform and educate pregnant women and women who may become pregnant about cytomegalovirus;
- (2) Require the Department of Health to convene a working group comprising various stakeholders to participate in the development of the public education program; and
- (3) Appropriate funds to implement the public education program.

Your Committee received testimony in support of this measure from two hundred forty-nine individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that congenital cytomegalovirus is the most common cause of birth defects and childhood disabilities in the United States. Approximately one in every one hundred fifty newborn infants is born with the cytomegalovirus and, of those newborn infants, one in every five will suffer a permanent disability. The cytomegalovirus is the leading cause of non-hereditary deafness in children and has the potential to cause intellectual disability, cerebral palsy, seizures, blindness, and brain damage. However, fewer than one in five pregnant women is aware of cytomegalovirus.

Your Committee has amended this measure by:

- (1) Inserting language that requires physicians of newborn infants identified as or suspected of having a hearing impairment to test the newborn infant for cytomegalovirus and provide the parents of the newborn infant with information regarding cytomegalovirus; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 782, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 782, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1042 (Majority) Health on H.B. No. 940

The purpose and intent of this measure is to prohibit the use of electronic smoking devices in places where smoking is already prohibited.

Your Committee received testimony in support of this measure from the Department of Health, Coalition for a Tobacco-Free Hawai'i, American Lung Association of the Mountain Pacific, American Heart Association, American Cancer Society Cancer Action Network, University of Hawai'i Student Health Advisory Council, University of Hawai'i Cancer Center, Hawai'i Public Health Association, and sixty-eight individuals. Your Committee received testimony in opposition to this measure from VOLCANO Fine Electronic Cigarettes, PC Gamerz, Hawaii Smokers Alliance, and thirty-two individuals.

Your Committee finds that electronic smoking devices have become increasingly prevalent and widely available since their introduction into the United States market. However, since electronic smoking devices are a relatively new product, their health effects have yet to be thoroughly researched. Serious questions also remain about the safety of inhaling substances from an electronic smoking device.

Your Committee further finds that the use of electronic smoking devices in traditionally smoke-free areas causes confusion in the enforcement of smoke-free laws, creates distractions in work environments, and renormalizes smoking behavior. This measure prohibits the use of electronic smoking devices in enclosed or partially enclosed places where smoking is prohibited, which will reduce the likelihood of nonuser exposure to potentially harmful chemicals in electronic smoking devices and help ensure compliance with existing smoking regulations.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 940, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Wakai).

SCRep. 1043 (Majority) Health on H.B. No. 631

The purpose and intent of this measure is to establish the documentation required when requesting the Department of Health to issue a new birth certificate with a sex designation change.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Civil Liberties Union of Hawaii, GLBT Caucus of the Democratic Party of Hawaii, Human Rights Campaign, Equality Hawai'i, Community Alliance on Prisons, Hawai'i Civil Rights Commission, Democratic Party of Hawaii, Hawai'i State Democratic Women's Caucus, and fourteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii Family Forum, Hawaii Catholic Conference, and ten individuals. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, and Alliance Defending Freedom.

Your Committee finds that the majority of transgender individuals do not choose to undergo sex reassignment surgeries for various reasons, including prohibitive costs and other medical and personal reasons. Thus, the current statutory reference to a sex change operation is outdated. This measure would make it easier for transgender individuals to request a new birth certificate, allowing them to more readily amend their legal documents, including driver's license and other forms of identification.

Your Committee notes the importance of requiring the least burdensome process for judicial determination for a change in sex designation as it relates to this measure and requests that your Committee on Judiciary and Labor further examine this issue if it chooses to hear this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 631, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Riviere). Noes, 2 (Gabbard, Slom). Excused, 1 (Wakai).

SCRep. 1044 Health on H.B. No. 847

The purpose and intent of this measure is to address primary care physician shortages by appropriating funds for the interdisciplinary Hawaii Health Systems Corporation primary care training program at Hilo Medical Center.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation; Hawaii Fire Department; Hawaii Island Chamber of Commerce; Kona-Kohala Chamber of Commerce; Hilo Medical Center Foundation; Japanese Chamber of Commerce and Industry of Hawaii; Hawaii Island Healthcare Alliance; United Public Workers, Local 646; Hawaii Primary Care Association; Hawaii Medical Association; The Queen's Health Systems; Zonta Club of Hilo; Hospice of Hilo; and sixty-seven individuals.

Your Committee finds that the State faces a severe shortage of healthcare providers. This shortage is particularly acute in the field of primary care, in which most healthcare cost savings result from prevention and early intervention. The Hawaii Health Systems Corporation primary care training program is an effective way to reduce the impact of the shortage of primary care providers and improve access to healthcare throughout the State. Administered by Hilo Medical Center in coordination with the Hawaii Health Systems Corporation regions, this interdisciplinary program will generate interdisciplinary teams capable of caring for four times as many patients as independent practicing physicians. Hawaii will benefit greatly as the Hawaii Health Systems Corporation regions' program will eliminate the need to train or attract an unattainable number of physicians.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 847, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1045 Health on H.B. No. 252

The purpose and intent of this measure is to:

- (1) Establish requirements for a pharmacy benefit manager that reimburses a contracting pharmacy for a drug on a maximum allowable cost basis; and

- (2) Require the pharmacy benefit manager to have a clearly defined process for a contracting pharmacy to appeal the maximum allowable cost for a drug on a maximum allowable cost list and establish requirements for that process.

Your Committee received testimony in support of this measure from the Hawaii Community Pharmacists Association and one individual. Your Committee received comments on this measure from CVS Health.

Your Committee finds that the majority of daily claims that a pharmacy fills are generic drugs and that there is currently no legal process regarding the maximum allowable cost appeal process. This measure sets parameters for pharmacy benefit managers to establish such a process.

Your Committee has amended this measure by:

- (1) Specifying that a contracting pharmacy shall be provided no less than fourteen business days following receipt of payment for the claim upon which the appeal is based to file the appeal with the pharmacy benefit manager, rather than pay the claim; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 252, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 252, H.D. 1, S.D. 1, and be referred to the Committees on Commerce and Consumer Protection and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1046 Health on H.B. No. 253

The purpose and intent of this measure is to authorize pharmacists to administer vaccines to persons between fourteen and seventeen years of age who have a valid prescription from the patient's medical home.

Your Committee received testimony in support of this measure from the Department of Health, Board of Pharmacy, American Academy of Pediatrics, Walgreens, and six individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Hawaii State Center for Nursing.

Your Committee finds that allowing pharmacists to administer vaccinations will help to meet an important public health need. Furthermore, ensuring information is properly checked and originating from the medical home minimizes the possibility of vaccination errors related to contraindications, guides timely spacing of vaccinations, and ensures the correct documentation of vaccinations in the patient's medical record.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 253, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Wakai).

SCRep. 1047 (Joint) Health and Higher Education and the Arts on H.B. No. 285

The purpose and intent of this measure is to establish the John A. Burns School of Medicine scholarship program, which covers the cost of tuition and fees for a full course of study at the John A. Burns School of Medicine in exchange for a service commitment of five years in the State upon the completion of residency.

Your Committees received testimony in support of this measure from Hawaii Health Systems Corporation, University of Hawaii, Hawaii Medical Association, The Queen's Health Systems, Hawaii Primary Care Association, Hawaii Medical Service Association, and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that it is estimated that Hawaii's shortage of physicians has sharply increased to nearly twenty percent from 2013 to 2014. This shortage is expected to increase by more than sixty-eight percent by 2020. This measure will provide much needed incentives for future physicians to serve in Hawaii for five years post-completion of the recipient's residency.

Your Committees have heard testimony expressing concerns related to matching funds for the scholarship program, additional support for the graduate medical education program within the Johns A. Burns School of Medicine for residency and fellowship programs, and resources for the University of Hawaii at Hilo College of Pharmacy. Your Committees find that these issues raise concerns that merit further consideration and request that your Committee on Ways and Means further examine these issues if it chooses to hear this measure.

As affirmed by the records of votes of the members of your Committees on Health and Higher Education and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 285, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

Higher Education and the Arts
Ayes, 4. Noes, none. Excused, 3 (Kahele, Kidani, Slom).

SCRep. 1048 (Joint) Health and Commerce and Consumer Protection on H.B. No. 261

The purpose and intent of this measure is to require accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to post and update information on drug formularies on their websites for the benefit of insureds, potential insureds, and providers.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, Kaiser Permanente Hawaii, American Cancer Society Cancer Action Network, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Association of Health Plans. Your Committees received comments on this measure from the Hawaii Medical Service Association.

Your Committees find that drug formularies are increasingly complex but are vitally important for patients to understand. Many patients have specific drug needs and choose a health plan that promises to cover their drugs. However, plans can change their formularies at any time, which leaves patients with significantly higher co-payments than they had budgeted for when they originally contracted with their health insurance plan.

Your Committees have amended this measure by deleting its contents and inserting language that:

- (1) Requires each individual or group accident health or sickness insurance policy insurer, mutual benefit society, and health maintenance organization, on or after January 1, 2017, to provide:
 - (A) Its formulary;
 - (B) A system that allows an insured or potential insured to determine whether the prescription drugs are covered under the plan's medical benefits;
 - (C) A dollar amount range of cost-sharing typically paid by an insured of each specific drug; and
 - (D) Standardized content for the formulary for each product offered by the plan pursuant to the recommendations made by the formulary accessibility working group; and
- (2) Establishes a formulary accessibility working group to make recommendations for a standard formulary template.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 261, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 261, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, none. Excused, 2 (Kahele, Kidani).

SCRep. 1049 (Joint) Health and Commerce and Consumer Protection on H.B. No. 467

The purpose and intent of this measure is to:

- (1) Require birthing facilities to perform a pulse oximetry test or other medically accepted screening on newborns to screen for critical congenital heart defects; and
- (2) Require birthing facilities to report certain critical congenital heart defect screening data to the Department of Health.

Your Committees received testimony in support of this measure from the Department of Health; American Heart Association; March of Dimes, Hawaii Chapter; and five individuals.

Your Committees find that pulse oximetry is a non-invasive test that estimates the percentage of hemoglobin in blood that is saturated with oxygen. When performed on newborns in birthing facilities, pulse oximetry is effective at detecting critical, life-threatening congenital heart defects, which otherwise may go undetected by current screening methods. Many newborn lives could be saved by earlier detection and treatment of congenital heart defects if birthing facilities in the State were required to perform this screening in conjunction with current congenital heart disease screening methods.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 467, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Commerce and Consumer Protection

Ayes, 5. Noes, none. Excused, 2 (Kahele, Kidani).

SCRep. 1050 (Joint/Majority) Health and Commerce and Consumer Protection on H.B. No. 174

The purpose and intent of this measure is to require health insurance coverage of orthodontic treatment for orofacial anomalies.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; American Academy of Pediatrics, Hawaii Chapter; Hawaii Dental Association; and twenty-eight individuals. Your Committees received comments on this measure from the Department of Health and Department of Commerce and Consumer Affairs.

Your Committees find that it is estimated that one in five hundred children in the State is born with orofacial anomalies such as cleft lip or cleft palate. Orthodontic services for the treatment of orofacial anomalies are not included as a benefit of commercial health plans. Without orthodontic treatment, appropriate care and reconstructive surgical outcomes are compromised and result in functional deficiencies in chewing, swallowing, respiration, and speech; unstable or malpositioned oral structures; premature tooth loss; and other health problems.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 174, H.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

Commerce and Consumer Protection

Ayes, 3. Noes, 1 (Slom). Excused, 3 (Kahele, Kidani, Taniguchi).

SCRep. 1051 (Joint/Majority) Health and Water and Land on H.B. No. 525

The purpose and intent of this measure is to:

- (1) Prohibit smoking and the use of tobacco products and electronic smoking devices within the state park system; and
- (2) Require posting of signage prohibiting smoking and the use of tobacco products.

Your Committees received testimony in support of this measure from the Department of Health; University of Hawaii; Surfrider Foundation, Hawaii Chapters; Coalition for a Tobacco Free Hawai'i; Beach Environmental Awareness Campaign Hawai'i; Conservation Council for Hawai'i; Outrigger Hotels & Resorts; and sixty-six individuals. Your Committees received testimony in opposition to this measure from twenty-three individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that creating smoke-free or tobacco-free parks is an important step toward protecting the public from involuntary exposure to secondhand smoke and the toxic effects of smoking and tobacco litter. A ban on smoking and the use of tobacco products at all state parks will result in cleaner parks and a healthier environment for residents, visitors, and marine life.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed the Department of Land and Natural Resources to designate areas within state parks where smoking or use of tobacco are not prohibited; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 525, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 525, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Slom).

Water and Land

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Ihara, Ruderman).

SCRep. 1052 (Joint) Health and Education on H.B. No. 458

The purpose and intent of this measure is to:

- (1) Beginning with the 2017-2018 school year, require public schools to annually provide information about the human papillomavirus and other vaccines to parents and guardians of students entering grade 6; and
- (2) Require the Department of Health to develop the information and produce the materials to be provided to the parents and guardians and require the Department of Education to disseminate the information.

Your Committees received testimony in support of this measure from the Department of Education; Hawaii State Commission on the Status of Women; American Association of University Women, Windward Oahu Branch; Hawaii State Democratic Women's Caucus; Hawaii Youth Services Network; Planned Parenthood; Hawaii Immunization Coalition; American Association of University Women of Hawaii; Hawaii Women Lawyers; American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Women's Coalition; and eleven individuals. Your Committees received testimony in opposition to this measure from four individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the human papillomavirus vaccine may prevent certain cancers, thereby saving lives. The prevention of infectious disease is paramount to a safe and healthy society. Sharing accurate, educational information on diseases and vaccinations

and presenting it to families whose children are of an appropriate age to receive the vaccine is appropriate and necessary to better educate the community and promote public health.

As affirmed by the records of votes of the members of your Committees on Health and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 458, H.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, none. Excused, 2 (Riviere, Slom).

Education

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1053 (Joint) Tourism and International Affairs and Economic Development and Technology on H.B. No. 716

The purpose and intent of this measure is to promote economic development. More specifically, this measure:

- (1) Establishes an innovative business interaction program under the Department of Business, Economic Development, and Tourism, to increase the opportunity for interaction between innovative business investors and innovative business talent from out-of-state and in-state; and
- (2) Increases the transient accommodations tax revenues deposited into the tourism special fund to provide funds for the program.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; and Hawaii Strategic Development Corporation. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that innovative business growth in Hawaii requires relationships to be established between investors and innovative talent through opportunities that allow for capital and talent to interact. Opportunities need not occur at trade, scientific, commercial, or technology-focused events, and Hawaii has hosted events that may serve as the foundation for innovative business interaction. Your Committees further find that the State should have the ability to contract with the organizer of an annual event in Hawaii to add a component that encourages the interaction of innovative business investors and talent.

Your Committees have amended this measure by:

- (1) Inserting language in section 2 to broaden the definition of “event organizer” or “organizer” to also include persons and entities that organize technology and interactive media events;
- (2) Inserting language in section 3 to authorize \$500,000 of transient accommodation tax revenues allocated to the tourism special fund to be used for the innovative business interaction program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 716, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 716, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Tokuda).

Economic Development and Technology

Ayes, 5. Noes, none. Excused, 2 (Chun Oakland, Dela Cruz).

SCRep. 1054 Judiciary and Labor on H.B. No. 148

The purpose and intent of this measure is to provide redress to persons wrongfully convicted and imprisoned by the State. Specifically, this measure:

- (1) Allows a person who is convicted and subsequently imprisoned for one or more crimes that the person did not commit or for actions that did not constitute a crime to petition for a claim of damages against the State if certain requirements are met;
- (2) Establishes requirements and procedures for a claimant to present an actionable claim against the State for wrongful conviction and imprisonment;
- (3) Provides a claimant who was wrongfully convicted and imprisoned compensation with the following:
 - (A) Damages for the physical injury of wrongful conviction and imprisonment and damages for time served on parole, on probation, or as a registered sex offender;
 - (B) Physical, dental, and mental health care for the life of the claimant to be offset by any amount provided through the claimant’s employers during that time period;
 - (C) Waiver of or reimbursement for any tuition and fees paid for the secondary education or vocational training of the claimant and any biological children of the claimant who were conceived prior to the claimant’s imprisonment for the wrongful conviction;

- (D) Any child support payments owed by the claimant that became due and any interest on child support arrearages that accrued during the claimant's time imprisoned;
- (E) Any reasonable costs for immediate services secured upon exoneration and release, provided that such costs are not duplicative of any other eligible immediate services received by the claimant and paid by the State; and
- (F) Reasonable attorneys' fees for bringing a claim of damages against the State for wrongful conviction and imprisonment;
- (4) Establishes guidelines for awarding damages and expunging records of conviction, procedures to provide notice, time limitations for an action for compensation, and the right to appeal in a civil action;
- (5) Provides a person who is wrongfully convicted and imprisoned up to three years of immediate services needed upon release at the expense of the State, including costs for housing, education, transportation, subsistence monetary assistance, reintegration services, and health care; and
- (6) Amends section 831-3.2, Hawaii Revised Statutes, to authorize the Attorney General to issue an expungement order upon the court's finding that a person was wrongfully convicted and imprisoned.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons, Hawaii Innocence Project, and two individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General, Hawaii Paroling Authority, and one individual.

Your Committee finds that wrongful convictions may be the result of many causes, including eyewitness misidentification, false confessions, improper forensic science, and government misconduct. Nationally, there are more than fifteen thousand persons listed on the National Registry of Exonerations, including three persons convicted in Hawaii. Innocent persons who have been wrongly convicted of crimes and subsequently imprisoned have been uniquely victimized, have distinct challenges re-entering society, and have difficulty achieving legal redress due to a variety of substantive and technical obstacles in the law. This measure ensures that those persons who were wrongfully convicted and imprisoned by the State receive immediate services upon release and, when able to demonstrate damages under appropriate circumstances, compensation.

Your Committee has amended this measure by:

- (1) Specifying that any pardon for a crime or crimes shall be on grounds consistent with innocence;
- (2) Clarifying that a petition for relief shall be filed in the circuit court of the circuit in which the claimant lives rather than in which the conviction took place;
- (3) Inserting an effective date of January 1, 2016; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 148, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 148, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1055 Judiciary and Labor on H.B. No. 896

The purpose and intent of this measure is to make an appropriation to satisfy several claims against the State, its officers, or its employees, including claims for legislative relief, judgments against the State, settlements, and other miscellaneous claims.

Your Committee received testimony in support of this measure from the Department of the Attorney General. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that this measure requests a total of \$2,246,874.40 in appropriations from the general fund to satisfy seventeen claims against the State, a total of \$72,000 in appropriations from the state highway fund to satisfy one claim against the State, and a total of \$93,734.77 in appropriations from the harbor special fund to satisfy one claim. The grand total for the nineteen claims settled in this measure as received by your Committee is \$2,412,609.17. Timely passage of this measure will minimize the State's obligation to pay interest on those amounts.

Your Committee notes the written testimony submitted by Department of the Attorney General, which requests the addition of ten new claims that have been resolved since this measure was introduced. These ten additions require a total of \$607,266.75 in appropriations from the general fund.

Your Committee has amended this measure by:

- (1) Adding general fund appropriations for ten settlement claims totaling \$607,266.75, as requested by the Department of the Attorney General, which increases the grand total amount of appropriations in this measure to \$3,019,875.92 in order to satisfy a total of twenty-nine claims against the State, its officers, or its employees; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 896, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 896, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ihara).

SCRep. 1056 Judiciary and Labor on H.B. No. 966

The purpose and intent of this measure is to:

- (1) Correct an inadvertent repeal of wording from section 237-23, Hawaii Revised Statutes (HRS); and
- (2) Provide a retroactive effective date that applies to taxable years beginning after December 31, 2011.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that Act 184, Session Laws of Hawaii 2012 (Act 184), amended section 237-23, HRS, to add potable water companies to the existing exemption provided to certain nonprofit organizations. In the process, the words, "as such" were inadvertently deleted from that section. According to the testimony submitted by the Department of Taxation, these words have been important for courts in the past and should be reinstated in statute to ensure consistent treatment of nonprofit organizations entitled to this exemption.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 966, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1057 Judiciary and Labor on H.B. No. 1268

The purpose and intent of this measure is to:

- (1) Exclude injured public employees who have retired from a public employer with whom they sustained a work injury from receiving vocational rehabilitation services; and
- (2) Require that injured public employees who are eligible for a return to work program, participate in and complete a return to work program as a prerequisite to receiving vocational rehabilitation benefits.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Department of Education, Department of Human Services, City and County of Honolulu Department of Human Resources, and Hawaii Health Systems Corporation.

Your Committee finds that this measure seeks to control costs and expedite the return to work process for injured employees. Hawaii's public employers' return to work programs prioritize the return of program participants to their usual or customary employment once they are cleared to return to work but also allow for placement of participants in temporary light duty positions with the same employer during recovery and give participants priority over all other applicants for certain vacant positions. Private vocational rehabilitations programs may not necessarily prioritize the employees' return to work with the same employer and may bypass the benefits of participation in the public employers' return to work programs.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1268, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1268, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 1058 Judiciary and Labor on H.B. No. 1370

The purpose and intent of this measure is to:

- (1) Require the Employees' Retirement System to directly pay a portion of a member's pension or related benefit to the former spouse of the member, in response to an award in a divorce action; and
- (2) Appropriate unspecified sums to the Employees' Retirement System for the administration of direct payment benefits to a former spouse of an Employees' Retirement System member.

Your Committee received testimony in support of this measure from the Family Law Section of the Hawaii State Bar Association, Hydroponics Alternatives LLC, and two individuals. Your Committee received testimony in opposition to this measure from the Employees' Retirement System Board of Trustees and University of Hawaii Professional Assembly.

Your Committee finds that this measure will ensure that a member's or retiree's pension or related benefits are correctly divided pursuant to a divorce action award and promptly paid, with the appropriate tax consequences for both the member or retiree and the former spouse. This requirement will also help align chapter 88, Hawaii Revised Statutes, to the federal Employee Retirement Income Security Act, which applies only to private employers.

Your Committee notes that the Employees' Retirement System testified that it prefers the language in the companion measure under S.B. No. 1324, S.D. 2 (Regular Session of 2015) because the companion measure provides additional specifications regarding the contents of the judgment, order, or decree; distribution of a portion of the pension, annuity, retirement allowance, or refunded contributions of the member or retiree that is required to be paid directly to the spouse or former spouse of the member or retiree; and responsibilities of the Employees' Retirement System and member or retiree. As a result, the Employees' Retirement System testified

that adopting the language under S.B. No. 1324, S.D. 2 would provide a cost savings of \$1,000,000 to implement compared to this measure.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting language from S.B. No. 1324, S.D. 2 (Regular Session of 2015), that:
 - (A) Requires the Employees' Retirement System to make direct payment to a former spouse of a member or retiree of benefits or portion thereof pursuant to a valid court judgment, order, or decree;
 - (B) Establishes requirements for the content of a court judgment, order, or decree in a divorce action for a portion of the pension, annuity, retirement allowance, or refunded contributions of the member or retiree;
 - (C) Establishes the timing of and limitations to direct payment of a portion of a member's or retiree's pension or related benefit to the former spouse of the member or retiree, in response to an award in a divorce action and under various circumstances that may impact the direct payment to a former spouse of a member or retiree;
 - (D) Establishes conditions in which the Employees' Retirement System shall not be bound by a judgment, decree, or order made pursuant to a domestic relations law of this State or another state;
 - (E) Requires the Employees' Retirement System to adopt rules and authorizes the Board of Trustees of the Employees' Retirement System to establish and revise from time to time a filing fee and schedule of charges for legal and actuarial services incurred by the Employees' Retirement System for the processing and review of judgments, orders, and decrees;
 - (F) Makes conforming amendments to section 88-91, Hawaii Revised Statutes; and
 - (G) Appropriates unspecified sums to the Employees' Retirement System for fiscal years 2015-2016 and 2016-2017 for the administration of direct payment benefits to a former spouse of Employees' Retirement System members and retirees; and
- (2) Inserting an effective date of January 1, 2016.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1370, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1370, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1059 (Joint) Public Safety, Intergovernmental and Military Affairs and Health on H.B. No. 840

The purpose and intent of this measure is to:

- (1) Require the Director of Public Safety to contract for the planning and preliminary design for a secure correctional facility designed to provide intensive rehabilitation programs for mental health and chemical dependency treatment;
- (2) Require the Director of Public Safety to submit a progress report to the Legislature by February 1, 2016; and
- (3) Appropriate funds to the Department of Public Safety for the contract for the planning and preliminary design for the correctional facility.

Your Committees received testimony in support of this measure from the Department of Public Safety, State Procurement Office, and one individual. Your Committees received testimony in opposition to this measure from United Public Workers AFSCME, Local 646, AFL-CIO; Hawaii Friends of Restorative Justice; and three individuals. Your Committees received comments on this measure from the Land Use Research Foundation of Hawaii, Community Alliance on Prisons, and Drug Policy Action Group.

Your Committees find that the State's correctional facilities are extremely old and are in need of significant repair and maintenance. The Oahu Community Correctional Center is a critical facility that is in need of repairs and upgrades. Moving the Oahu Community Correctional Center's inmates and services to a new facility at the Halawa Correctional Facility, a location that is capable of accommodating a new multi-story facility if several older portions of the prison are torn down and replaced, furthers public safety and provides the State with a much-needed, modern correctional facility. Implementation of this measure is a cost-efficient way to provide the State with an improved and modern correctional facility.

Your Committees have amended this measure by:

- (1) Deleting its contents and replacing it with the contents of S.B. No. 1268, Regular Session of 2015, which:
 - (A) Requires the Director of Public Safety to construct a multi-story correctional facility at the Halawa Correctional Facility to replace the existing Oahu Community Correctional Center;
 - (B) Authorizes the issuance of general obligation bonds and appropriates funds for the planning, design, and construction of the multi-story facility; and
 - (C) Inserts an effective date of July 1, 2015;
- (2) Requiring the Department of Public Safety to hold a community partnering meeting to receive community input and comments regarding the multi-story correctional facility;

- (3) Requiring the multi-story correctional facility to be a secure, minimum- to medium-security community correctional facility designed to provide intensive in-house rehabilitation programs for the treatment of chemical dependency and abuse and other mental health problems;
- (4) Requiring the multi-story correctional facility to be designed to be operated by the State with the capability of providing programs that address education, prevention, and treatment and are directed at preventing drug and substance abuse and treating other mental health problems; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 840, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 840, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Health
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1060 (Joint) Public Safety, Intergovernmental and Military Affairs and Transportation on H.B. No. 1153

The purpose and intent of this measure is to:

- (1) Exempt qualifying totally and permanently disabled veterans from paying the state motor vehicle registration fee; and
- (2) Require the Director of the Office of Veterans Services, in consultation with the Policy Advisory Board on Veterans Services, to report to the Legislature and Department of Taxation the total number of disabled veterans that qualify for the exemption from the annual motor vehicle registration fees.

Your Committees received testimony in support of this measure from the State Office of Veterans Services; Veterans Advisory Board; Veterans of Foreign Wars of the United States, Hawaii; and three individuals. Your Committees received comments on this measure from the Department of Transportation and Tax Foundation of Hawaii.

Your Committees find that disabled veterans deserve to be rewarded for their sacrifices in the name of duty, honor, and country. The exemption provided by this measure would be a small recognition of those veterans who incurred military-related injuries and are now rated as one hundred percent disabled.

Your Committees have amended this measure by inserting an effective date of July 1, 2020, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1153, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1153, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 5. Noes, none. Excused, none.

Transportation
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, English, Inouye, Kouchi).

SCRep. 1061 Commerce and Consumer Protection on H.B. No. 145

The purpose and intent of this measure is to establish a refundable income tax credit for qualified cigar producers.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Department of Health, Coalition for a Tobacco-Free Hawai'i, American Cancer Society Action Network, American Heart Association, and Cigar Association of America, Inc. Your Committee received comments on this measure from the Tax Foundation of Hawaii, Hawaii Cigar Association, Hawaii Farm Bureau, Kauai Cigar Company, and two individuals.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language that:

- (1) Expands the definition of "tobacco products" to include any product containing nicotine, but not containing tobacco;
- (2) Imposes an excise tax equal to eighty percent of the wholesale price of any tobacco product, other than large cigars, sold by a wholesaler or dealer on and after January 1, 2016, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer;
- (3) Requires the monies collected under the excise tax to be deposited to the credit of the Hawaii cancer research special fund; and
- (4) Contains an effective date of July 1, 2053.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Health, University of Hawai'i Cancer Center, Coalition for a Tobacco-Free Hawai'i, American Cancer Society Action Network, American Lung Association of the Mountain

Pacific, and numerous individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from the League of Women Voters, PC Gamerz, VOLCANO Fine Electronic Cigarettes, Kauai Cigar Company, and a substantial number of individuals. Your Committee received comments on the proposed S.D. 1 from the Department of Taxation, Tax Foundation of Hawaii, and five individuals.

Your Committee also received testimony from individuals who did not indicate whether their testimony was regarding this measure or the proposed S.D. 1. This unspecified testimony includes testimony in support from one individual, testimony in opposition from numerous individuals, and comments from one individual.

Your Committee finds that under existing law, the tax on other tobacco products is lower than the tax on cigarettes, despite these products being similarly addictive and dangerous. Other tobacco products present significant health risks, which can lead to cancer, heart disease, respiratory illness, and other serious diseases. Other tobacco products may also serve as gateway products that can lead to habitual tobacco use, including smoking and long term addiction to nicotine.

Your Committee further finds that according to the federal Centers for Disease Control and Prevention, increasing the price of tobacco products is the most effective way to prevent initiation among nonsmokers and reduce consumption. Accordingly, the proposed S.D. 1 increases the excise tax to eighty percent of the wholesale price of any tobacco product, other than large cigars. This increased amount in the excise tax will provide parity with the current tax on cigarettes.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by:

- (1) Amending the definition of "tobacco products" for consistency with the definition approved by the Department of the Attorney General; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 145, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 145, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Taniguchi, Slom).

SCRep. 1062 (Joint) Tourism and International Affairs and Water and Land on H.B. No. 444

The purpose and intent of this measure is to:

- (1) Allocate transient accommodations tax revenues to the special land and development fund and beach restoration and conservation special fund to finance restoration and conservation activities;
- (2) Enable the effective development and implementation of plans to slow the degradation of Hawaii's beaches; and
- (3) Encourage the restoration of beaches through the coordination of activities involving the counties and the formation of public-private partnerships.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawaii Tourism Authority; Land Use Research Foundation of Hawaii; Ho'omana Pono, LLC.; Outrigger Enterprises Group; The Nature Conservancy; Hawaii Lodging and Tourism Association; Maui Hotel and Lodging Association; and one individual. Your Committees received comments on this measure from the Department of the Attorney General, Department of Budget and Finance, State-County Functions Working Group, and Tax Foundation of Hawaii.

Your Committees find that Hawaii's beaches are important and unique components of the array of natural resources that make Hawaii a special place for residents and an attractive destination for visitors. Recent studies by researchers at the University of Hawaii indicate that Hawaii's beaches are disappearing at an alarming rate, with seventy percent of beaches undergoing chronic erosion, over thirteen miles of beach completely lost to erosion, and inappropriate shoreline development over the past century. Your Committees further find that the State needs to reinvest in its beaches as one of its important and valuable natural resources and to conserve and restore these important assets by more efficiently distributing limited financial resources.

Your Committees have amended this measure by:

- (1) Inserting language in section 8 to specify that transient accommodation tax revenues deposited into the special land and development fund and expended in accordance with the Hawaii Tourism Authority Strategic Plan may also be used for beach protection, preservation, maintenance, and enhancement;
- (2) Changing the effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 444, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 444, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Tokuda).

Water and Land
Ayes, 6. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 1063 (Joint) Water and Land and Agriculture on H.B. No. 503

The purpose and intent of this measure is to provide funding to pursue drought mitigation projects and measures in each county of the State.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Hawaii Farm Bureau, Maui County Farm Bureau, Hawaii Crop Improvement Association, Ulupono Initiative, and Land Use Research Foundation of Hawaii.

In 2004, county drought committees were formed for each of the four counties in Hawaii. Each county drought committee developed a drought mitigation strategy for its respective county, with a focus on drought mitigation projects. These county drought mitigation strategies represent the local needs and concerns of each county and are incorporated by reference into the Hawaii Drought Plan.

Your Committees find that a viable agriculture industry requires a steady, reliable supply of water. However, drought conditions continue to adversely affect farms and ranches in the State, hampering their ability to produce quality products on a consistent basis throughout the year.

Your Committees find that to implement the Hawaii Drought Plan adequately, sufficient funding to the counties is necessary to address the many challenges that our agriculture industry faces in preparing for droughts.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 503, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land
Ayes, 5. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

Agriculture
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1064 Water and Land on S.C.R. No. 25

The purpose and intent of this measure is to issue a term lease of fifty-five years and non-exclusive easement for 25 square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17 for tide pool stairs encroachment purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Aha Moku Advisory Committee; and Pulama Lanai.

Your Committee finds that the tidepool stairs and an associated swimming hole in the Manele-Hulopoe Marine Life Conservation District on the Island of Lanai were created by the International Longshore and Warehouse Union during the Lanai pineapple strike of 1951 and were reconstructed in 2006 to include a guard rail. The stairs, which were established prior to October 1, 1964, occupy 25 square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17. The Office of Conservation and Coastal Lands of the Department of Land and Natural Resources concluded, after a visit to the site, that no further permits would be required for the stairs or their 2006 repair. On June 13, 2014, the Board of Land and Natural Resources approved Pulama Lanai's request for a 55-year term, non-exclusive easement for the tide pool stairs encroachment purposes.

Your Committee has amended this measure by:

- (1) Clarifying that the stated square footage is an estimate and is subject to confirmation by the Department of Accounting and General Services; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 25, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 25, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 1065 Water and Land on S.C.R. No. 24

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term lease of fifty-five years and non-exclusive easement for 585 square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17 for pier pilings encroachment purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and Pulama Lanai.

Your Committee finds that pier pilings, which are the remnants of a cattle chute constructed in the early 1900s to load cattle onto ships during the period when a cattle industry existed on the Island of Lanai, occupy 585 square feet of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17. The Office of Conservation and Coastal Lands determined that the pier pilings are the remnants of a nonconforming use and that a conservation district use permit is not required. Lana'i Resorts, LLC, dba Pulama Lanai is interested in maintaining the historic site and asked for an easement for the encroachment. On June 13, 2014, the Board of Land and

Natural Resources approved Pulama Lanai's request for a 55-year term lease and non-exclusive easement for pier pilings encroachment purposes.

Your Committee has amended this measure by:

- (1) Clarifying that the stated square footage is an estimate and is subject to confirmation by the Department of Accounting and General Services; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 24, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 24, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 1066 Education on S.C.R. No. 46

The purpose and intent of this measure is to request the Department of Education and Department of Commerce and Consumer Affairs, in collaboration with existing licensed private trade, vocational, and technical schools in the State of Hawaii to review the State's current licensing program for private trade, vocational, and technical schools established pursuant to Act 89, Session Laws of Hawaii 1996, as amended, and to consider alternative licensing program structures or models that are in the best interest of private trade, vocational, and technical schools, and students in the State of Hawaii.

Your Committee received testimony in support of this measure from the Department of Education and Department of Commerce and Consumer Affairs.

Your Committee finds that the Department of Education is ill-equipped to administer the licensure of private trade, vocational, and technical schools due to its lack of understanding and expertise in the field of post-secondary education. State licensure of private trade, vocational, and technical schools is important for the protection of Hawaii students, and the licensure program should be administered by the state entity most qualified to ensure educational quality and consumer protection. More information is necessary to determine the best model for licensing private trade, vocational, and technical schools.

Your Committee has amended this measure by:

- (1) Deleting language regarding the training provided by private trade, vocational, and technical schools;
- (2) Adding language regarding section 302A-425, Hawaii Revised Statutes, which requires the Department of Education to license all private trade, vocational, and technical schools;
- (3) Adding language regarding Act 57, Session Laws of Hawaii 1998, which amended section 302A-425, Hawaii Revised Statutes, to clarify that the purpose of the licensing law is to protect consumers against false, deceptive, misleading, or unfair practices and to ensure adequate educational quality at private trade, vocational, and technical schools;
- (4) Adding language regarding the 2002 Auditor's report which stated that Act 57, Session Laws of Hawaii 1998, shifted the emphasis of the licensing law to consumer protection and brought into question the Department of Education's administration of the licensure of private trade, vocational, and technical schools;
- (5) Adding language stating that the Department of Education's primary responsibility is educating students in kindergarten through twelfth grade;
- (6) Clarifying that the Department of Education is unable to effectively administer the licensure of private trade, vocational, and technical schools due to its lack of understanding and expertise regarding the specialized curricula offered at these schools and lack of experience in providing post-secondary education and overseeing post-secondary institutions;
- (7) Adding language stating that the Department of Commerce and Consumer Affairs' primary responsibility is to protect consumers and that the Department has experience in the licensure of professions and businesses;
- (8) Adding language requesting the Department of Education and Department of Commerce and Consumer Affairs to convene a working group to evaluate and review the State's current licensing program for private trade, vocational, and technical schools and removing the requirement that the two departments collaborate with existing licensed private trade, vocational, and technical schools;
- (9) Adding language requesting the working group to consider licensure procedures that protect consumers from false, deceptive, misleading, and unfair practices at private trade, vocational, and technical schools and ensure adequate educational quality;
- (10) Adding language requesting the working group to include interested stakeholders in the working group's discussions;
- (11) Adding the Auditor to the list of officials to receive certified copies of the resolution; and
- (12) Changing the title to read: "REQUESTING THE DEPARTMENT OF EDUCATION AND DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONVENE A WORKING GROUP TO EVALUATE THE LICENSING OF PRIVATE TRADE, VOCATIONAL, AND TECHNICAL SCHOOLS".

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 46, as amended herein, and recommends that it be referred to the Committee on Commerce and Consumer Protection, in the form attached hereto as S.C.R. No. 46, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Thielen).

SCRep. 1067 Education on S.R. No. 20

The purpose and intent of this measure is to request the Department of Education and Department of Commerce and Consumer Affairs, in collaboration with existing licensed private trade, vocational, and technical schools in the State of Hawaii to review the State's current licensing program for private trade, vocational, and technical schools established pursuant to Act 89, Session Laws of Hawaii 1996, as amended, and to consider alternative licensing program structures or models that are in the best interest of private trade, vocational, and technical schools, and students in the State of Hawaii.

Your Committee received testimony in support of this measure from the Department of Education and Department of Commerce and Consumer Affairs.

Your Committee finds that the Department of Education is ill-equipped to administer the licensure of private trade, vocational, and technical schools due to its lack of understanding and expertise in the field of post-secondary education. State licensure of private trade, vocational, and technical schools is important for the protection of Hawaii students, and the licensure program should be administered by the state entity most qualified to ensure educational quality and consumer protection. More information is necessary to determine the best model for licensing private trade, vocational, and technical schools.

Your Committee has amended this measure by:

- (1) Deleting language regarding the training provided by private trade, vocational, and technical schools;
- (2) Adding language regarding section 302A-425, Hawaii Revised Statutes, which requires the Department of Education to license all private trade, vocational, and technical schools;
- (3) Adding language regarding Act 57, Session Laws of Hawaii 1998, which amended section 302A-425, Hawaii Revised Statutes, to clarify that the purpose of the licensing law is to protect consumers against false, deceptive, misleading, or unfair practices and to ensure adequate educational quality at private trade, vocational, and technical schools;
- (4) Adding language regarding the 2002 Auditor's report which stated that Act 57, Session Laws of Hawaii 1998, shifted the emphasis of the licensing law to consumer protection and brought into question the Department of Education's administration of the licensure of private trade, vocational, and technical schools;
- (5) Adding language stating that the Department of Education's primary responsibility is educating students in kindergarten through twelfth grade;
- (6) Clarifying that the Department of Education is unable to effectively administer the licensure of private trade, vocational, and technical schools due to its lack of understanding and expertise regarding the specialized curricula offered at these schools and lack of experience in providing post-secondary education and overseeing post-secondary institutions;
- (7) Adding language stating that the Department of Commerce and Consumer Affairs' primary responsibility is to protect consumers and that the Department has experience in the licensure of professions and businesses;
- (8) Adding language requesting the Department of Education and Department of Commerce and Consumer Affairs to convene a working group to evaluate and review the State's current licensing program for private trade, vocational, and technical schools and removing the requirement that the two departments collaborate with existing licensed private trade, vocational, and technical schools;
- (9) Adding language requesting the working group to consider licensure procedures that protect consumers from false, deceptive, misleading, and unfair practices at private trade, vocational, and technical schools and ensure adequate educational quality;
- (10) Adding language requesting the working group to include interested stakeholders in the working group's discussions;
- (11) Adding the Auditor to the list of officials to receive certified copies of the resolution; and
- (12) Changing the title to read: "REQUESTING THE DEPARTMENT OF EDUCATION AND DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONVENE A WORKING GROUP TO EVALUATE THE LICENSING OF PRIVATE TRADE, VOCATIONAL, AND TECHNICAL SCHOOLS".

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 20, as amended herein, and recommends that it be referred to the Committee on Commerce and Consumer Protection, in the form attached hereto as S.R. No. 20, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Thielen).

SCRep. 1068 Education on S.C.R. No. 64

The purpose and intent of this measure is to encourage the Department of Education to modify its medication administration policy so that all students affected by anaphylaxis have more efficient access to auto-injectable epinephrine.

Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that anaphylaxis is a potentially life-threatening allergic reaction. Students with this condition require immediate access to epinephrine to prevent a reaction from escalating out of control. In the interest of keeping all students healthy and safe, Department of Education employees and volunteers should be authorized to assist students with administration of auto-injectable epinephrine when needed.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 64 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1069 Education on S.R. No. 28

The purpose and intent of this measure is to encourage the Department of Education to modify its medication administration policy so that all students affected by anaphylaxis have more efficient access to auto-injectable epinephrine.

Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that anaphylaxis is a potentially life-threatening allergic reaction. Students with this condition require immediate access to epinephrine to prevent a reaction from escalating out of control. In the interest of keeping all students healthy and safe, Department of Education employees and volunteers should be authorized to assist students with administration of auto-injectable epinephrine when needed.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 28 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1070 Education on S.C.R. No. 43

The purpose and intent of this measure is to reestablish county library advisory commissions to serve in an advisory capacity to the Board of Education on matters relating to public library services.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System and four individuals.

Your Committee finds that the various state libraries have different needs. Reestablishing the county library advisory commissions is an effective way to open communication with the Board of Education regarding the concerns of libraries and recommendations for their improvement.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 43 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1071 Education on S.R. No. 18

The purpose and intent of this measure is to reestablish county library advisory commissions to serve in an advisory capacity to the Board of Education on matters relating to public library services.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System and four individuals.

Your Committee finds that the various state libraries have different needs. Reestablishing the county library advisory commissions is an effective way to open communication with the Board of Education regarding the concerns of libraries and recommendations for their improvement.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 18 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1072 Education on S.C.R. No. 41

The purpose and intent of this measure is to request the Department of Education to establish courses for the instruction of American Sign Language in at least one high school per complex area.

Your Committee received testimony in support of this measure from the Disability and Communications Access Board and five individuals.

Your Committee finds that offering high school courses in American Sign Language is an important step toward fulfilling the demand for interpreters, arming students with marketable skills, and encouraging engagement and communication between students and their deaf peers or family members.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 41 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1073 Education on S.R. No. 16

The purpose and intent of this measure is to request the Department of Education to establish courses for the instruction of American Sign Language in at least one high school per complex area.

Your Committee received testimony in support of this measure from the Disability and Communications Access Board and five individuals.

Your Committee finds that offering high school courses in American Sign Language is an important step toward fulfilling the demand for interpreters, arming students with marketable skills, and encouraging engagement and communication between students and their deaf peers or family members.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 16 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1074 Education on S.C.R. No. 30

The purpose and intent of this measure is to garner support from the Department of Education for the Kids' Savings Project.

Your Committee received testimony in support of this measure from the Department of Education and one individual.

Your Committee finds that children need to start learning about the basics of personal finance from a young age. The Kids' Savings Project takes a hands on approach to teaching children about saving money and setting financial goals. These are important lessons that can benefit all Hawaii's children.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 30 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1075 Government Operations on Gov. Msg. No. 503

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

G.M. No. 503 DOUGLAS MURDOCK, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement, resume, and work experiences of the nominee and finds Douglas Murdock to possess the requisite qualifications to be nominated as the Director of the Department of Accounting and General Services.

Your Committee received testimony in support of Douglas Murdock from Governor David Y. Ige; Department of Accounting and General Services; Department of Transportation; State Procurement Office; Department of Budget and Finance; Department of Human Resources Development; Department of Taxation; Office of Information Management and Technology; Campaign Spending Commission; Stadium Authority; Hawaii Procurement Institute; Hawaii Laborers-Employers Cooperation and Education Trust; General Contractors Association of Hawaii; Subcontractors Association of Hawaii; Chamber of Commerce Hawaii; Building Industry Association Hawaii; Hawaii Construction Alliance; RMA Sales; Graham Builders; Kukulu, LLC; Kyo-ya Management Company, Ltd.; and thirteen individuals.

Prior to beginning work as Comptroller, Douglas Murdock was Vice President of Administrative and Fiscal Affairs for the Hawaii Tourism Authority. Previously, he served as Of Counsel with the law firm of Alston Hunt Floyd & Ing from August 2010 to July 2012. Mr. Murdock spent over twenty-five years in military service with the United States Air Force. He rose to the rank of Colonel during his tenure with the Air Force Judge Advocate General's Corps, and was responsible for multi-billion dollar acquisitions, advising base leadership on government ethics and procurement integrity, leading a forty-five member legal office, and supervising general court-martial jurisdiction. Mr. Murdock was a member of the Hawaii Procurement Policy Board from 2011 to 2012, and is a former president of the National Contract Management Association, Aloha Chapter.

Your Committee believes that the nominee possesses the qualifications to serve as the Comptroller and lead the Department of Accounting and General Services. Mr. Murdock has demonstrated his commitment to public service through his military career and work with the Hawaii Tourism Authority. His expertise in managing government contracts and emphasis on professional ethics are invaluable qualities for a Comptroller to possess. Testifiers commented that the nominee is a valuable mentor who approaches his work with a sense of mission. Other testimony highlights that Mr. Murdock provides meaningful and clear guidance to those he supervises, and has a leadership style that is encouraging and inspires creative thinking. These qualities will support morale within the Department and create a climate for team work and innovative problem solving.

Your Committee notes from the nominee's personal statement that he sees updated and more efficient systems as the key for innovation and improvement in the Department. He acknowledges that the Department is made up of dedicated, hardworking professionals who manage to make things work despite force reductions and diminished resources. By improving systems, personnel time previously consumed by inefficiencies will be reallocated to more productive purposes. Mr. Murdock also sees improvements to procurement as a priority and procurement training essential to improved acquisitions. He plans to work closely in support of the State Procurement Office Administrator and other department heads to improve the State's ability to procure and manage the provision of goods, services, and infrastructure. Over the course of his term, Mr. Murdock plans to retain, grow, and develop the Department's talented workforce; improve systems and business processes; and seek opportunities to reduce the long-term costs of operating state infrastructure.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 1076 (Joint) Hawaiian Affairs and Health and Water and Land on H.B. No. 393

The purpose and intent of this measure is to waive the water quality certification requirement of the Department of Health for the restoration, repair, and operation of traditional Hawaiian fishponds, or loko i'a, that have been issued a permit under the Statewide Programmatic General Permit Process administered by the Department of Land and Natural Resources.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Aha Moku Advisory Committee, Land Use Research Foundation of Hawaii, Lanai Culture and Heritage Center, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Association of Hawaiian Civic Clubs, Honua Consulting, and four individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that this measure addresses the decade long difficulties that have been faced by people seeking to restore, repair, and operate loko i'a. Your Committees received testimony describing the difficulties that have been faced by those attempting to comply with the various permit requirements in order to restore, repair, or operate loko i'a. Further, your Committees received testimony from Dr. Trisha Kehaulani Watson of Honua Consulting who has been involved in the efforts to restore, repair, and operate loko i'a. In her testimony, Dr. Watson represents that the Environmental Protection Agency and the Department of the Attorney General have recognized that federal law allows for the waiver of the water quality certification process.

Your Committees have amended this measure by:

- (1) Inserting language to make it effective upon its approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Health, and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 393, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 393, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs
Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Health
Ayes, 4. Noes, none. Excused, 3 (Riviere, Wakai, Slom).

Water and Land
Ayes, 4. Noes, none. Excused, 3 (Ihara, Riviere, Slom).

SCRep. 1077 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on H.B. No. 746

The purpose and intent of this measure is to:

- (1) Eliminate civil service restrictions on the hiring and employment of the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator;
- (2) Authorize the coordinator to hire a secretary; and
- (3) Appropriate funds for the coordinator and secretary positions.

Your Committees received testimony in support of this measure from the Hawaii Emergency Management Agency and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committees find that the economic viability of Hawaii rests upon the State's ability to monitor, detect, and defend its critical infrastructure from cyber attacks. The quantity and sophistication of cyber events, as well as the variety of attacks, will continue to evolve and grow exponentially in the years to come. Implementation of this measure will enable the State to assess and synchronize all efforts to develop and prioritize the resources necessary to build the State's cybersecurity.

Your Committees have amended this measure by:

- (1) Changing the appropriation expending agency from the Department of Defense to the Office of Homeland Security; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 746, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 746, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1078 (Joint) Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology on H.B. No. 1282

The purpose and intent of this measure is to appropriate funds for a National Aeronautics and Space Administration and Pacific International Space Center for Exploration Systems engineering assessment of a proposal to establish a laser optical communications ground station in Hawaii, leading to infrastructure construction beginning in 2016, contingent on a dollar-for-dollar match of funds from the National Aeronautics and Space Administration.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Cable Television Division; Pacific International Space Center for Exploration Systems; and two individuals.

Your Committees find that space laser technology has the potential to support laser communications between spacecraft and Earth, provide ten to one hundred times higher data rates than traditional radio frequency systems with the same mass and power, and stimulate the State's economy through the creation of high-tech jobs. Your Committees further find that the National Aeronautics and Space Administration conducted a detailed statistical analysis of weather patterns and identified Hawaii as the best site in the United States to establish the first laser optical communications ground station. Implementation of this measure will advance the emerging aerospace sector and improve the broadband and optical fiber infrastructure in the State.

Your Committees have amended this measure by:

- (1) Changing the appropriation expending agency from the Department of Commerce and Consumer Affairs to the Department of Business, Economic Development, and Tourism; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1282, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1282, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 4; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, 1 (Galuteria).

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1079 (Joint) Agriculture and Energy and Environment on H.B. No. 871

The purpose and intent of this measure is to:

- (1) Reaffirm the Legislature's finding that the implementation of the Department of Agriculture's biosecurity program is vital to the State;
- (2) Authorize the Department of Agriculture to establish or participate in private-public partnerships to enhance the biosecurity program and quarantine inspection process; provided that department employees perform the actual inspections;
- (3) Require the Department of Agriculture to adopt rules to establish parameters and construction requirements for biosecurity facilities; and
- (4) Appropriate funds to enable the Department of Agriculture to complete the implementation of the biosecurity program to include an integrated computer manifest system.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Hawaii Farm Bureau, Maui County Farm Bureau, Hawaii Cattlemen's Council, The Nature Conservancy, Coordinating Group on Alien Pest Species, Hawaii Floriculture and Nursery Association, and one individual.

Your Committees find that the unchecked spread of invasive species is one of the greatest threats to Hawaii's economy, natural environment, and the health and lifestyle of Hawaii's people. Your Committees further find that the Department of Agriculture has created a biosecurity program to fight invasive species on many fronts and has supported the growth of Hawaii's agricultural industry by working to reduce dependency on imported agricultural products that may contain pests. This biosecurity program is vital to Hawaii, and your Committees further find that building local capacity to increase the State's ability to stop the entry of high-risk products is crucial to mitigate and manage invasive species.

Your Committees have amended this measure by:

- (1) Inserting language from S.B. No. 1062, S.D. 2 (Regular Session), that creates a new part in chapter 141, Hawaii Revised Statutes, which establishes the Hawaii biosecurity program as a function of the entire Department of Agriculture, rather than a single branch of the Department, and incorporates chapter 150A, part VI, Hawaii Revised Statutes;
- (2) Incorporating the amendments proposed by this measure to section 150A-53, Hawaii Revised Statutes, into the new part added to chapter 141, Hawaii Revised Statutes;
- (3) Repealing chapter 150A, part VI, Hawaii Revised Statutes;
- (4) Amending Section 1 to reflect the amended purpose of this measure;

- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 871, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 871, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1080 (Joint) Agriculture and Commerce and Consumer Protection on H.B. No. 501

The purpose and intent of this measure is to provide preferential rates for certain public utility services provided to ratepayers engaged in agricultural activities.

Your Committees received testimony in support of this measure from the Land Use Research Foundation of Hawaii, Hawaii Farm Bureau, Ulupono Initiative, Hawaii Farmers Union United, Hawaii Cattlemen's Council, and three individuals. Your Committees received comments on this measure from the Department of Agriculture and Public Utilities Commission.

Your Committees find that Hawaii's agricultural industry is vital to the State's economy. Act 169, Session Laws of Hawaii 2008, authorized preferential rates for potable water used in agricultural activities, and this measure would expand this preferential treatment to include electricity and freight transport services to assist farmers and ranchers to remain competitive and self-sustaining. Your Committees further find that renewable energy is currently lost due to utility curtailment or restriction of wind and solar producers; this wasted energy source could instead be used to move irrigation water, pump groundwater, chill food-storage facilities, and power other agricultural uses. Agricultural users could shift these activities to the off-peak hours if they were offered a rate incentive by the Public Utilities Commission to do so, thereby avoiding the need to limit or curtail renewable energy. Your Committees further find that for agricultural users, the lower rates would be an added inducement to shift their loads to the off-peak hours and avoid using the most expensive generation units on the system, resulting in lower rates for everyone.

As raised in testimony, your Committees also find that it is necessary for the Public Utilities Commission to define "qualified agricultural activities" and "bona fide agribusinesses" to ensure that preferential rates are given only to ratepayers as intended by this measure.

Your Committees have amended this measure by:

- (1) Inserting language that directs the Public Utilities Commission to define "qualified agricultural activities" and "bona fide agribusinesses" for the purposes of section 269-26.5, Hawaii Revised Statutes, to ensure that preferential rates for water, electricity, and freight transport services are offered only to ratepayers who are actively, substantially, and gainfully using land within an agricultural district in agricultural production, including crop, livestock, and aquaculture;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 501, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 501, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kahele, Taniguchi, Slom).

SCRep. 1081 (Joint) Agriculture and Water and Land on H.B. No. 1453

The purpose and intent of this measure is to appropriate funds for acquisition of a one-acre parcel and the planning, design, and construction thereon at Moloa'a on the Island of Kauai of:

- (1) A well and alternative energy development to power the well to supplement the existing water resources at Moloa'a; and
- (2) An onsite, state-of-the-art post-harvest facility to meet the new standards established by the Food Safety Modernization Act.

Your Committees received testimony in support of this measure from the Department of Agriculture, Land Use Research Foundation of Hawaii, County of Kauai Office of the Mayor, Hawaii Farm Bureau, East Kauai Water Users' Cooperative, G.I.S.T.C. Inc., Moloa'a Bay Coffee, One Song Farm, and twenty-six individuals. Your Committees received comments on this measure from the Hawaii Farmers Union, Kauai Chapter.

Your Committees find that the current weather trends across the State indicate a decrease in consistent rainfall, which makes it more difficult for farmers to rely on annual rainfall alone for consistent water for their crops and increases the need for irrigation sources to supplement regular rainfall patterns. The agricultural cooperative in the Moloa'a area on the Island of Kauai is struggling to obtain adequate water from the existing well; therefore, your Committees find that a new replacement well is needed.

Additionally, your Committees find that the federal Food Safety Modernization Act has resulted in new rules and regulations that govern the growing, packing, and processing of food across the nation. These new regulations adversely impact Hawaii's agriculturalists, particularly Hawaii's farmers who generally have small farms and are unable to make the necessary capital investment to bring their facilities in compliance with required standards. Therefore, your Committees find that a central facility is needed where farmers in the community can have their produce packed and processed and share the costs of complying with the new regulations to help avoid business failures.

Your Committees have amended this measure by:

- (1) Inserting language in section 1 to clarify that the parcel of land to be acquired for the Moloa'a well and post-harvest facility is to be a suitable, rather than one-acre, parcel; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1453, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1453, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 1082 (Joint) Energy and Environment and Commerce and Consumer Protection on H.B. No. 620

The purpose and intent of this measure is to:

- (1) Prohibit a plastic product from being labeled as "compostable" or in any other way to imply that a plastic product will biodegrade, decompose, break down, or fragment in a landfill or other environment, unless it meets ASTM D6400 specifications;
- (2) Authorize a plastic product to be labeled with the Biodegradable Products Institute's logo if the plastic product has been certified by the Biodegradable Products Institute; and
- (3) Establish fines for violators.

Your Committees received testimony in support of this measure from the Surfrider Foundation Hawaii Chapters, Beach Environmental Awareness Campaign Hawaii, Rise Above the Plastics, Surfrider Foundation Oahu Chapter, and six individuals. Your Committees received testimony in opposition to this measure from Island Plastic Bags, Inc; and ECM Biofilms. Your Committees received comments on this measure from the Department of Health.

Your Committees find that people often use biodegradable items in their efforts to eliminate the wide use of plastics that present environmental and health hazards. However, biodegradable plastics are actually more damaging to the environment than regular plastics. Biodegradable food service items contain plastic and are designed to break down into microplastics, which create a great threat to marine life. The marketing of products as "biodegradable", "degradable", and "decomposable" misleads the public and is dangerous to the environment. Implementation of this measure will reduce the consumption of single use plastic products and move the State toward a more sustainable future.

Your Committees have amended this measure by:

- (1) Moving the contents of this measure from part II to part III of chapter 342H, Hawaii Revised Statutes;
- (2) Inserting a definition of "biodegradable" to mean a plastic product that has been labeled as biodegradable pursuant to the ASTM D5511 standard test method for determining anaerobic biodegradation of plastic materials under high-solids anaerobic-digestions conditions;
- (3) Authorizing a plastic product to be labeled as "biodegradable" pursuant to the ASTM D5511 standard test method for determining anaerobic biodegradation of plastic materials under high-solids anaerobic-digestions conditions, rather than be labeled with the Biodegradable Products Institute's logo if the plastic product has been certified by the Biodegradable Products Institute; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 620, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 620, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection
Ayes, 4. Noes, none. Excused, 3 (Kidani, Taniguchi, Slom).

SCRep. 1083 (Joint) Energy and Environment and Commerce and Consumer Protection on H.B. No. 621

The purpose and intent of this measure is to:

- (1) Prohibit, progressively over a two-year time period, the manufacture and sale of personal care products that contain synthetic plastic microbeads; and
- (2) Require violators to pay a fine.

Your Committees received testimony in support of this measure from the Department of Health, The Story of Stuff Project, Rise Above Plastics Coalition, Surfrider Foundation Hawaii Chapters, Consumer Healthcare Products Association, Beach Environmental Awareness Campaign Hawaii, American Chemistry Council, and six individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that microbeads are gentle scrubbers that are added to numerous personal care products, including shampoos, soaps, and toothpastes. Research has indicated that wastewater treatment plants are unable to filter out microbeads, and as a result microbeads pass through sewage systems and eventually enter into waterways. Once microbeads enter the marine environment, they are impossible to remove and are a significant source of environmental degradation. Implementation of this measure will reduce the State's production of waste and its negative impact on the environment.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 621, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Commerce and Consumer Protection
Ayes, 4. Noes, none. Excused, 3 (Kidani, Taniguchi, Slom).

SCRep. 1084 (Joint) Energy and Environment and Economic Development and Technology on H.B. No. 240

The purpose and intent of this measure is to expand the types of businesses that qualify for state enterprise zone program benefits by amending the definition of "service business" to include a business that provides air conditioning project services from seawater air conditioning district cooling systems.

Your Committees received testimony in support of this measure from Honolulu Seawater Air Conditioning, LLC and Ulupono Initiative. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Department of the Attorney General; and Tax Foundation of Hawaii.

Your Committees find that seawater air conditioning district cooling systems provide an alternative to inefficient cooling systems and have been successfully implemented throughout the United States, Canada, and Europe. The seawater air conditioning district cooling system under development in Honolulu will generate millions of dollars in construction revenue, create long-term jobs, and reduce the State's dependence on fossil fuels. Implementation of this measure will generate industrial growth, create sustainable jobs, and further the State's clean energy goals.

Your Committees have amended this measure by:

- (1) Amending the definition of "seawater air conditioning district cooling system" to mean an air conditioning cooling project where at least fifty percent of the energy required for the air conditioning system is provided by cold, deep seawater;
- (2) Inserting an effective date of upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 240, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 240, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 4. Noes, none. Excused, 1 (Green).

Economic Development and Technology
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Espero, Harimoto).

SCRep. 1085 (Joint) Hawaiian Affairs and Water and Land on H.B. No. 515

The purpose and intent of this measure is to clarify the definition of the term "remnant" and the requirements for the disposition of a remnant to ensure that any disposition complies with the State's constitutional mandate under the public lands trust.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs and Aha Moku Advisory Committee. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources.

Your Committees finds that this measure would promote transparency and place greater controls on the disposition of public lands that qualify as remnants. Your Committees received testimony asserting that this measure is warranted as the State has used a broad definition of the term “remnant” to dispose of ceded public trust lands without complying with statutory requirements including legislative approval.

Your Committees have amended this measure by:

- (1) Deleting the amendments to section 171-52(a), Hawaii Revised Statutes;
- (2) Amending section 171-52(b), Hawaii Revised Statutes, to prohibit the Board of Land and Natural Resources from disposing of a remnant if it finds the parcel contains:
 - (A) Natural or cultural resources necessary for the exercise of native Hawaiian subsistence, cultural, or religious practices pursuant to the state constitution;
 - (B) Natural resources that should be protected or conserved for the benefit of current or future generations; or
 - (C) Public access to public lands, such as beaches, coastal resources, or mountain resources; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 515, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 515, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Inouye, Kahele).

Water and Land

Ayes, 7. Noes, none. Excused, none.

SCRep. 1086 (Joint) Hawaiian Affairs and Agriculture on H.B. No. 205

The purpose and intent of this measure is to include the promotion and development of traditional Hawaiian farming and crops and small-scale farming in the Hawaii State Plan objectives for the State’s economy with regard to agriculture.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, University of Hawaii System, Native Hawaiian Chamber of Commerce, Taro Security and Purity Task Force, Hawaii Island School Garden Network, and four individuals. Your Committees received comments on this measure from the Land Use Research Foundation of Hawaii and one individual.

Your Committees find that native Hawaiian traditional farming methods and crops represent successful agricultural technologies that are economically sustainable and promote the interests of the State with regard to agriculture. Your Committees also find that supporting small farms, many of which incorporate traditional native Hawaiian methods, would promote an increase in local food production.

Your Committees have amended this measure by:

- (1) Making it effective upon its approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 205, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 205, H.D. 1, S.D. 1, and be referred to the Committee on Water and Land.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1087 (Joint) Higher Education and the Arts and Water and Land on H.B. No. 830

The purpose and intent of this measure is to:

- (1) Exempt from the definition of “historic property” any private residence that has not been entered, or nominated by the owner of the residence for entry, onto the Hawaii Register of Historic Places; and
- (2) Clarify that nothing in chapter 6E, Hawaii Revised Statutes, shall be construed to require a review by the Department of Land and Natural Resources for any private residence exempted under the amended definition of “historic property”.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Building Industry Association-Hawaii, General Contractors Association of Hawaii, Hawaii Association of REALTORS, Land Use Research Foundation of Hawaii, and three individuals. Your Committees received testimony in opposition to this measure from the Historic Hawaii Foundation and Society for Hawaiian Archaeology. Your Committees received comments on this measure from the Department of the Attorney General, Department of Land and Natural Resources, and Office of Hawaiian Affairs.

Your Committees find that this measure amends the definition of “historic property” to exempt particular single-family residences from review by the Department of Land and Natural Resources. More specifically, this measure establishes the basis of exemption from review under chapter 6E, Hawaii Revised Statutes, for any privately-owned single-family residence; provided that the residence has not been entered, or nominated by the owner of the residence for entry, onto the Hawaii Register of Historic Places.

However, your Committees note that this measure, if left unamended, inserts duplicative language into the Hawaii Revised Statutes. Specifically, the amendment made to section 6E-10(f), Hawaii Revised Statutes, appears to be redundant when read together with the amended definition of “historic property”.

In addition, section 6E-10(f), Hawaii Revised Statutes, as amended by this measure, may be interpreted to exempt from review any new application for construction, alteration, disposition, or improvement of a privately-owned single-family residence, even if a burial site or aviation artifact may also be affected.

Your Committees have amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Deleting language amending the definition of “historic property”;
- (3) Deleting language amending section 6E-10, Hawaii Revised Statutes, relating to the review of proposed construction, alteration, disposition, or improvement of private residences;
- (4) Inserting language to exempt applications for proposed projects on privately-owned single-family detached dwelling units that are not designated on or nominated for the Hawaii or National registers of historic places or located in a historic district from the review requirements section 6E-42, Hawaii Revised Statutes;
- (5) Inserting a definition of “dwelling unit” for purposes of the exemption;
- (6) Making a conforming amendment to section 6E-42, Hawaii Revised Statutes; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 830, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 830, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Inouye, Kidani).

Water and Land

Ayes, 5; Ayes with Reservations (Ihara). Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 1088 Judiciary and Labor on H.B. No. 496

The purpose and intent of this measure is to establish a partial wage replacement for leave trust fund to provide partial wage replacement for family leave. This measure also appropriates funds for the administration of the partial wage replacement for leave trust fund.

Your Committee received testimony in support of this measure from the Commission on the Status of Women, Policy Advisory Board for Elderly Affairs, Democratic Party of Hawaii, Women’s Caucus of the Democratic Party of Hawaii, ILWU Local 142, A Better Balance, Family Values @ Work, Hawaii Family Caregiver Coalition, Healthy Mothers Healthy Babies, Ku’ikahi Mediation Center, and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Chamber of Commerce, Maui Chamber of Commerce, Hawaii Food Industry Association, and one individual. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Department of Budget and Finance, and National Partnership for Women and Families.

Your Committee finds that the Department of Labor and Industrial Relations has testified that the cost to implement the proposed partial wage replacement for leave trust fund would be prohibitive. In light of that testimony, your Committee believes it is beneficial to conduct an actuarial study of the costs and benefits of the proposed program prior to implementation. The Office of the Lieutenant Governor has expressed a willingness to work with the Department of Labor and Industrial Relations to conduct the actuarial study. Your Committee encourages the Office of the Lieutenant Governor and the Department of Labor and Industrial Relations to consult with national organizations that testified that they are willing to assist in implementing this program.

Your Committee has amended this measure by:

- (1) Replacing language establishing the partial wage replacement for leave program with language requiring the Office of the Lieutenant Governor and the Department of Labor and Industrial Relations to conduct an actuarial study and report back to the Legislature on items including the projected cost and benefits of implementing the partial wage replacement for leave program;

- (2) Inserting a blank appropriation for the study and report;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 496, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 496, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Slom).

SCRep. 1089 Judiciary and Labor on H.B. No. 492

The purpose and intent of this measure is to appropriate unspecified sums to the Judiciary for fiscal years 2015-2016 and 2016-2017 to enter into contracts with community mediation centers for mediation services.

Your Committee received testimony in support of this measure from the Judiciary; Mediation Centers of Hawaii, Inc.; Kauai Economic Opportunity Incorporated; and one individual.

Your Committee finds that research shows that mediation and other alternative dispute resolution processes generally provide more satisfactory results that can help to resolve disputes in less time than a trial and can save on costs. This measure allows the Center for Alternative Dispute Resolution and other service providers contracted with the Judiciary to provide additional services for Hawaii residents.

Your Committee has amended this measure by inserting an effective date of January 7, 2059, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 492, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 492, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1090 Judiciary and Labor on H.B. No. 452

The purpose and intent of this measure is to:

- (1) Appropriate unspecified sums to the Department of the Attorney General for fiscal years 2015-2016 and 2016-2017 to provide statewide sexual assault services; provided that the sums appropriated are the sums necessary to increase the Department's base budget for statewide sexual assault services to an unspecified sum per fiscal year; and
- (2) Establish a minimum base budget for the Department of the Attorney General for statewide sexual assault services at an unspecified sum per fiscal year beginning with fiscal year 2017-2018.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Department of the Prosecuting Attorney, City and County of Honolulu; YWCA of Kauai; The Sex Abuse Treatment Center; Child & Family Service of Maui; YWCA of Hawaii Island; and two individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that a network of sexual assault centers in every county provides direct services to sexual assault victims, including crisis intervention, mental health therapy, coordination of care and advocacy, and prevention and education services. The Sex Abuse Treatment Center oversees and administers this network and provides technical assistance, such as a uniform set of practice standards and procedures, and compliance monitoring training programs. This measure ensures that victims of sexual assault continue to receive the highest level of care and allows sexual assault centers to expand services statewide, including to rural areas and other underserved populations.

Your Committee notes the concerns raised by the Department of the Attorney General that additional funds should not be conditioned on mandatory levels of funding. The Department noted in its written testimony that conditions on funding levels infringe on the discretion needed by the Attorney General to address the competing fiscal requirements in executing the Department's operations. However, your Committee believes that the net amount for statewide sex assault services would be the same regardless of whether funding was made by a direct appropriation by the Legislature or conditions set on the base budget for sexual assault services. Accordingly, your Committee encourages further discussion by your Committee on Ways and Means on the appropriateness of setting conditions on mandatory levels of funding if it chooses to hear this measure.

Your Committee further notes the concerns raised by the Department of the Attorney General that section 2 violates the separation of powers between the executive and legislative branches of government because the spending of an appropriation is an inherently executive function.

Accordingly, your Committee has amended this measure by:

- (1) Deleting section 2 to avoid the concern of the Department of the Attorney General of violating the separation of powers between the executive and legislative branches; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 452, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 452, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1091 Judiciary and Labor on H.B. No. 147

The purpose and intent of this measure is to:

- (1) Establish procedural and administrative requirements for law enforcement to conduct eyewitness identifications, including photo and live lineups and showups, of suspects in criminal investigations;
- (2) Grant a defendant the right to a pretrial evidentiary hearing as to the reliability of the evidence offered by the prosecution when the prosecution intends to offer eyewitness identification evidence at trial;
- (3) Require the court at the pretrial evidentiary hearing to examine whether law enforcement or any administrator failed to substantially comply with any requirements that may have resulted in contamination of the eyewitness identification evidence and, as a result of its examination, require the court to consider the admissibility of the eyewitness identification evidence; and
- (4) Require the county police departments to develop and administer to law enforcement officers and recruits training programs regarding the eyewitness identifications practices and procedures.

Your Committee received testimony in support of this measure from the Office of the Public Defender, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Hawaii Innocence Project, Hawaii Women's Coalition, and four individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu and Office of the Prosecuting Attorney, County of Kauai. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure establishes uniform procedures under which eyewitnesses to crimes are asked to identify suspects. The Office of the Public Defender testified that the current procedures used by law enforcement agencies, including those used by the Honolulu Police Department, are in need of reform to reduce the chances of erroneous eyewitness identifications.

Your Committee notes the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu that codifying eyewitness identification standards may prevent eyewitness identifications from being reviewed under a totality of the circumstances. Furthermore, the Department indicated that Hawaii case law addresses when specific jury instructions pertaining to eyewitness identification are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting language from S.B. No. 147, S.D. 1 (Regular Session of 2015), the companion to this measure, that:
 - (A) Creates procedural and administrative requirements for law enforcement agencies for eyewitness identifications of suspects in criminal investigations;
 - (B) Establishes jury instructions when the court determines that the eyewitness identification evidence is admissible; and
 - (C) Requires the Attorney General to establish procedures for the implementation of uniform statewide eyewitness identification procedures;
- (2) Retaining language from this measure that:
 - (A) Establishes procedures for the video recording or other alternative recording methods when video recording is not practicable of the eyewitness identification procedure; and
 - (B) Requires county police departments to develop and administer to law enforcement officers and recruits training programs regarding the eyewitness identification practices and procedures;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 147, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 147, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Gabbard).

SCRep. 1092 Public Safety, Intergovernmental and Military Affairs on H.B. No. 805

The purpose and intent of this measure is to:

- (1) Exempt federal veterans' disability compensation benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment; and

- (2) Clarify that only the portion of a veteran's disability benefits that is not considered to be disability compensation, according to the Department of Veterans Affairs disability compensation benefits rate, is subject to child and spousal support enforcement under title 42 United States Code section 659(h)(1)(A)(ii)(V).

Your Committee received testimony in support of this measure from the State Office of Veterans Services, National Association for Uniformed Services Hawaii Chapter, Veterans Advisory Board, and one individual.

Your Committee finds that disabled veterans have sacrificed in the name of duty, honor, and country. The federal benefits that a disabled veteran receives need to be protected from creditors and third parties. Implementation of this measure safeguards veterans' federal disability benefits.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 805, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1093 Public Safety, Intergovernmental and Military Affairs on H.B. No. 1325

The purpose and intent of this measure is to encourage the protection of water resources in the State by authorizing the counties to charge user fees to create and maintain stormwater management systems or infrastructure.

Your Committee received testimony in support of this measure from the Department of Health; Office of Environmental Quality Control; Hawaii Green Growth; Nature Conservancy; Hawaii Community Foundation; Hawaii Farm Bureau; U.S. Green Building Council, Hawaii Chapter; Surfrider Foundation Hawaii Chapters; and eleven individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Tax Foundation of Hawaii.

Your Committee finds that rising development pressure, population growth, and climate change will likely increase the demand for water and compromise the State's fresh water supplies in the coming decades. Your Committee further finds that it is important to encourage best practices and infrastructure investment to capture and retain rainfall for potable water before it becomes stormwater runoff. Beneficial reuse of stormwater preserves our limited natural water resources, reserves higher quality water for higher quality uses, and reduces the amount of polluted runoff that fouls inland waterways and near-shore waters. Implementation of this measure will encourage the protection of the State's water resources.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1325, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 1094 Energy and Environment on H.B. No. 1040

The purpose and intent of this measure is to:

- (1) Require the Hawaii Invasive Species Council to contract with the University of Hawaii Economic Research Organization for services to establish an economic model formula that establishes the impact and cost of mitigating the most significant invasive species in the State;
- (2) Require the Hawaii Invasive Species Council to submit a report regarding the economic model formula to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (3) Appropriate funds to the Hawaii Invasive Species Council to contract with the University of Hawaii Economic Research Organization for services to establish an economic model formula;
- (4) Require the Legislative Reference Bureau, in coordination with the Hawaii Invasive Species Council, to update its 2002 study "Filling the Gaps in the Fight Against Invasive Species" to reflect mitigation efforts and associated costs; and
- (5) Require the Legislative Reference Bureau to submit a report regarding the updated study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the University of Hawaii System, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Nature Conservancy, Coordinating Group on Alien Pest Species, and one individual. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii. Your Committee received comments on this measure from the Department of Land and Natural Resources, Hawaii Invasive Species Council, and Legislative Reference Bureau.

Your Committee finds that invasive species are one of the greatest threats to the State's agriculture, natural environment, and economy. Favorable conditions and limited competition provide non-native species with an ideal environment. A statewide strategy for the prevention, control, research, and outreach regarding invasive species is critical for the protection of the State's environment and economy. Implementation of this measure will provide a single, comprehensive model for all invasive species and ensure a statewide approach to invasive species policy, control, and prevention.

Your Committee has amended this measure by:

- (1) Requiring the Legislative Reference Bureau to submit a report regarding the updated study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017, rather than the Regular Session of 2016;

- (2) Eliminating the requirement that the Legislative Reference Bureau coordinate with the Hawaii Invasive Species Council to update its 2002 study;
- (3) Requiring the Hawaii Invasive Species Council to cooperate with the Legislative Reference Bureau and provide the Legislative Reference Bureau with any information that is required to complete the update; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1040, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1040, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1095 (Joint) Energy and Environment and Commerce and Consumer Protection on H.B. No. 1504

The purpose and intent of this measure is to:

- (1) Require the Legislative Reference Bureau to conduct an energy utility study to assess and compare the State's for-profit energy utilities with specific publicly or cooperatively owned energy utilities in the United States;
- (2) Require the Legislative Reference Bureau to submit a report of its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (3) Establish a cap on the Hawaii electricity reliability surcharge for interconnection costs to the Hawaii electric system; and
- (4) Appropriate funds for the energy utility study.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from the State Procurement Office and Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism and the Legislative Reference Bureau.

Your Committees find that the State is precariously dependent on the volatile prices of imported fuels. A stronger and more stable local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. The State's energy sector is rapidly changing, and for-profit energy utilities must adapt to changing technology and a decentralized energy market. Implementation of this measure will further Hawaii's goals of energy security, self-sufficiency, and sustainability.

Your Committees have amended this measure by:

- (1) Eliminating the cap on the Hawaii electricity reliability surcharge for interconnection costs to the Hawaii electric system;
- (2) Amending section 1 to reflect the amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1504, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1504, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).
Commerce and Consumer Protection
Ayes, 4. Noes, none. Excused, 3 (Kidani, Taniguchi, Slom).

SCRep. 1096 (Joint) Energy and Environment and Water and Land on H.B. No. 1286

The purpose and intent of this measure is to establish the following as added or amended Hawaii State Plan objectives and policies relating to state energy facility systems:

- (1) Elimination of the State's dependence on imported fuels for electrical generation and ground transportation to increase energy security and self-sufficiency;
- (2) Diversification of energy generation;
- (3) Consideration of utility models that place the social and financial interests of the State's ratepayers first;
- (4) Increased energy efficiency and decreased energy use in public infrastructure; and
- (5) Ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and not impede the development of renewable energy sources.

Your Committees received testimony in support of this measure from the Hawaii Solar Energy Association; Hawaii Renewable Energy Alliance; Hawaiian Electric Company, Inc.; and three individuals. Your Committees received testimony in opposition to this

measure from two individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism and one individual.

Your Committees find that a stronger local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. Updating the energy objectives and policies relating to state energy facility systems will benefit Hawaii's economy by ensuring that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry, furthering Hawaii's goals of energy security, self-sufficiency, and sustainability.

Your Committees have amended this measure by:

- (1) Amending the increased energy security and self-sufficiency objective to include the reduction of, in addition to the elimination of, the State's dependence on imported fuels for electrical generation and ground transportation and to delete the reference to an increase in the ratio of indigenous to imported energy use;
- (2) Clarifying that consideration be given to utility models that make the social and financial interests of the State's utility customers a priority; and
- (3) Changing the effective date to upon approval.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1286, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1286, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 1097 (Joint) Agriculture and Public Safety, Intergovernmental and Military Affairs on H.B. No. 1042

The purpose and intent of this measure is to fully implement Act 183, Session Laws of Hawaii 2005, in accordance with the State's constitutional duty to protect important agricultural lands by providing funds to the counties for the identification and mapping of important agricultural lands.

Your Committees received testimony in support of this measure from the Department of Agriculture, Land Use Commission, Maui County Planning Department, County of Maui Office of the Mayor, City and County of Honolulu Department of Planning and Permitting, Hawaii Farm Bureau, Maui County Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Association of REALTORS, Hawaii Crop Improvement Association, and one individual.

Your Committees find that article XI, section 3, of the Hawaii State Constitution establishes the State's duty to "conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands" and provides specialized protections for important agricultural lands. Your Committees further find that the Legislature enacted Act 183, Session Laws of Hawaii 2005, which directed each county to work with government and community stakeholders to, within sixty months of receipt of state funds for the purpose, identify and map potential important agricultural lands within its jurisdiction and make recommendations to the Land Use Commission for the designation of these lands as important agricultural lands. Once designated, agricultural operations on important agricultural lands are eligible for a variety of state and county assistance and incentive programs. Your Committees find that, to date, the counties have not received state funds to assist with their identification and mapping duties under Act 183.

Your Committees have amended this measure by:

- (1) Inserting language in section 2 to allow the grants-in-aid to also be used by the counties for preparation of the final submission package to the Land Use Commission and for assistance with exploring county incentives for important agricultural lands;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1042, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1042, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1098 (Joint) Water and Land and Energy and Environment on H.B. No. 1478

The purpose and intent of this measure is to establish the Hawaiian Islands humpback whale national marine sanctuary program to coordinate and fulfill the State's duties in co-managing the Hawaiian Islands Humpback Whale National Marine Sanctuary.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Office of Planning; Conservation Council for Hawaii; Hawaii Green Growth; Aqua Lung Pacific; Kuaaina Ulu Auamo; Hawaii Pacific University; Aha Moku Advisory Council; Hanalei Watershed Hui; The Nature Conservancy; Hawaii Fishermens Alliance for Conservation and Tradition, Inc.; Maui Nui Marine Resource Council; Ocean Tourism Coalition; and nine individuals. Your Committees received comments on this measure from one individual.

Your Committees find that the Hawaiian Islands Humpback Whale National Marine Sanctuary provides an essential habitat for breeding, calving, and nursing activities of the endangered North Pacific humpback whale. Since 1998, the Sanctuary has been co-managed by Hawaii and the National Oceanic and Atmospheric Administration of the United States Department of Commerce. The State and the National Oceanic and Atmospheric Administration entered into a compact for co-management of the Sanctuary to improve interagency coordination and to enhance management of Hawaii's humpback whales and other marine resources. However, the State's role in co-managing the Sanctuary has yet to be codified under state law.

Your Committees further find that the Sanctuary has achieved many successes over the last fifteen years, including disentangling over twenty humpback whales, conducting cutting-edge research, and developing nationally-recognized education and outreach programs.

Your Committees have amended this measure by:

- (1) Clarifying that the State co-manages the Hawaiian Islands Humpback Whale National Marine Sanctuary, which is created by federal law, through the sanctuary program and clarifying the State's duties under the sanctuary program;
- (2) Clarifying references to federal Acts and the United States Code;
- (3) Changing the effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1478, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1478, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1099 (Joint/Majority) Transportation and Public Safety, Intergovernmental and Military Affairs on H.B. No. 134

The purpose and intent of this measure is to address the county surcharge on state tax.

More specifically, this measure:

- (1) Repeals the existing authority of the counties to levy a county surcharge on state tax pursuant to Act 247, Session Laws of Hawaii 2005, on December 31, 2015;
- (2) Authorizes the counties to adopt county surcharges on the state general excise and use taxes at a maximum rate of one-quarter of one percent, beginning January 1, 2017; provided that any county seeking to adopt a surcharge must do so pursuant to an ordinance adopted by December 31, 2015;
- (3) Changes the percentage of county surcharge revenues that is retained by the Director of Finance to reimburse the State for the administration of the county surcharge to an unspecified percentage;
- (4) Specifies that a county surcharge on state tax adopted by a county with a population greater than five hundred thousand shall be used only for:
 - (A) Capital costs of a locally preferred alternative for a mass transit project; and
 - (B) Expenses in complying with the Americans with Disabilities Act of 1990; and
- (5) Provides an unspecified repeal date for any county ordinances adopting a county surcharge on state tax adopted in accordance with this measure.

Your Committees received testimony in support of this measure from the Mayor of the City and County of Honolulu; the Mayor of the County of Kauai; the Mayor of the County of Maui; a member of the Honolulu City Council; Honolulu Authority for Rapid Transportation; The Chamber of Commerce of Hawaii; General Contractors Association of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Laborers Union, Local 368; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Operating Engineers Industry Stabilization Fund; Hawaii Regional Council of Carpenters; Kapolei Chamber of Commerce; PRP; West Oahu Economic Development Association; and one individual.

Your Committees received testimony in opposition to this measure from TimeOut Honolulu Rail and twenty-five individuals.

Your Committees received comments on this measure from the Department of Budget and Finance; Department of Taxation; two members of the Kauai County Council; Grassroot Institute of Hawaii; Hawaii Construction Alliance; Kanehili Cultural Hui; Land Use Research Foundation of Hawaii; Magna Force, Inc.; Tax Foundation of Hawaii; and three individuals.

Your Committees find that Act 247, Session Laws of Hawaii 2005, authorized the counties to adopt a county surcharge on state general excise and use taxes, at a maximum rate of one-half of one percent, to be effective until December 31, 2022. In counties with a population of greater than five hundred thousand, the surcharge would be used to provide a funding source for the operating or capital costs of a locally preferred alternative for a mass transit project, while in other counties, the surcharge would be used for public transportation. In accordance with Act 247, Session Laws of Hawaii 2005, the City and County of Honolulu was the only county to adopt a surcharge on state tax, which is currently being used to fund a rail transit project.

Your Committees also find that the transit agency overseeing the rail transit project has experienced financial difficulties that call into question its ability to complete the project prior to December 31, 2022. Your Committees believe that a five-year extension of the county surcharge on state tax should provide the transit agency with sufficient time and resources to complete the current rail transit project. Your Committees also believe that, once complete, the rail transit project should be extended to provide service to the University of Hawaii at Manoa and West Kapolei. These additional transit routes should be completed within a ten-year period per transit route.

Your Committees have amended this measure by replacing its entire contents with language that:

- (1) Extends the existing county surcharge on state tax until December 31, 2027, with the opportunity for the Legislature to extend the county surcharge on state tax in two, ten-year increments, until no later than December 31, 2047;
- (2) Re-opens the opportunity for all counties to adopt an ordinance to establish a county surcharge on state tax, from July 1, 2015, to December 31, 2015;
- (3) Provides that, for a county with a rail transit project funded by a county surcharge on state tax:
 - (A) Prior to the expiration of the initial extension of the county surcharge on state tax to December 31, 2027, the Legislature may choose to extend the county surcharge on state tax up to an additional twenty years, in ten-year increments, through the adoption of concurrent resolutions; provided that each ten-year extension of the county surcharge on state tax shall be used to fund additional transit routes to the University of Hawaii at Manoa and West Kapolei, respectively; and
 - (B) Prior to the introduction of a concurrent resolution to extend the county surcharge on state tax, for each ten-year extension:
 - (i) The transit agency shall obtain all necessary state and federal environmental clearances for the applicable additional transit route for the rail transit project;
 - (ii) The transit agency shall have an updated financial plan reviewed and approved by the appropriate county council;
 - (iii) The transit agency shall have an updated preliminary engineering costs estimate reviewed and approved by the appropriate county council;
 - (iv) The Auditor shall have completed a financial and management audit of the transit agency; and
 - (v) Any other requirement that the Legislature, by law, deems appropriate shall be completed; and
- (4) Provides that, for other counties without a rail project, prior to the introduction of a concurrent resolution to extend the county surcharge on state tax, for each ten-year extension, the appropriate county council shall adopt a resolution requesting the extension, which shall include information and a financial plan on how the surcharge revenues will be used over the requested extension period.

Your Committees note that they initially considered amending this measure to allow counties without a rail project to use the revenues from a county surcharge on state tax for any purpose. However, due to concerns that such a provision could be deemed as special legislation that could potentially pose a constitutional problem, your Committees ultimately decided to forego the inclusion of such an amendment at this time.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 134, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 134, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 7. Noes, 1 (Slom). Excused, 1 (English).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4; Ayes with Reservations (Baker, Keith-Agaran). Noes, 1 (Slom). Excused, none.

SCRep. 1100 Transportation on H.B. No. 715

The purpose and intent of this measure is to increase the use of alternative means of transportation by including low-speed bicycles powered by an electric motor in the definition of "bicycle", thereby allowing the use of low-speed electric bicycles on Hawaii's streets, sidewalks, and multi-use paths.

Your Committee received testimony in support of this measure from the Department of Transportation, Ebikes Hawaii, Bicycle Product Suppliers Association, PeopleForBikes, and two individuals.

Your Committee finds that electric bicycles are becoming an increasingly important form of transportation and a more significant component of the bicycle industry. This measure is intended to statutorily recognize that electric bicycles are a type of bicycle and subject to the same laws.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 715, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 715, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Espero, Slom).

SCRep. 1101 (Joint) Transportation and Water and Land on H.B. No. 971

The purpose and intent of this measure is to amend the composition of the Aloha Tower Development Corporation's Board of Directors and allow rather than require the Board of Directors to appoint a Chief Executive Officer.

Specifically, this measure amends the composition of the Board of Directors by:

- (1) Increasing the membership of the Board from three to six;
- (2) Removing the Director of Transportation as a member;
- (3) Adding the Chairperson of the Board of Land and Natural Resources as a member;
- (4) Adding one member to represent the maritime industry, to be appointed by the Governor pursuant to section 26-34, Hawaii Revised Statutes;
- (5) Adding one member to be appointed by the Speaker of the House of Representatives; and
- (6) Adding one member to be appointed by the President of the Senate.

Your Committees received testimony in support of this measure from the Department of Transportation.

Your Committees find that the present three member board presents challenges in conducting Aloha Tower Development Corporation business. Due to the State's Sunshine Law, communication and interaction between the Director of Transportation and Deputy Director of Harbors Division, who are both Aloha Tower Development Corporation Board members, is awkward and delicate even when they are performing their primary position's perfunctory activities. In addition, the functioning of the Aloha Tower Development Corporation Board of Directors would be more effective if more perspectives are represented.

Your Committees have amended this measure by:

- (1) Deleting the addition of a maritime representative as a member of the Board of Directors;
- (2) Designating the Deputy Director of Transportation, Harbors Division as chairperson, rather than requiring a majority vote to select the chairperson;
- (3) Repealing the position of chief executive officer; and
- (4) Changing the effective date to July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Transportation and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 971, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 971, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, English, Kouchi, Slom).

Water and Land

Ayes, 4. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 1102 (Joint) Judiciary and Labor and Agriculture and Education on H.B. No. 853

The purpose and intent of this measure is to:

- (1) Establish a K-12 agriculture workforce development pipeline initiative under the Department of Labor and Industrial Relations to conduct training sessions on all islands for teachers and school administrators regarding agricultural self-sufficiency;
- (2) Authorize the Director of Labor and Industrial Relations to appoint a coordinator to head the K-12 agriculture workforce development pipeline initiative and authorize the coordinator to hire necessary staff;
- (3) Require the Hawaii Agriculture Workforce Advisory Board to approve any course materials for the training sessions conducted by the K-12 agriculture workforce development pipeline initiative;
- (4) Require the Department of Labor and Industrial Relations to submit annual reports to the Legislature on the activities of the K-12 agriculture workforce development pipeline initiative; and

- (5) Appropriate an unspecified sum to the Department of Labor and Industrial Relations for fiscal years 2015-2016 and 2016-2017 for the development, operation, and implementation of the K-12 agriculture workforce development pipeline initiative, including the hiring of a coordinator and workforce development specialist.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Education; Department of Agriculture; University of Hawaii System; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council; Hawaii Primary Care Association; International Longshore and Warehouse Union, Local 142; Land Use Research Foundation of Hawaii; The National Future Farmers of America Organization; Hawaii Island School Garden Network; Hawaii State Teachers Association; and four individuals.

Your Committees find that the interest in agriculture is waning among Hawaii youth because they may have an inaccurate perception of farming as a low-paying and low-skilled trade and are unaware of the increasingly technical nature of jobs in the industry. By establishing the K-12 agriculture workforce development pipeline initiative to conduct training sessions for teachers and school administrators regarding agricultural self-sufficiency, this measure will assist in generating interest and excitement for jobs in agriculture for Hawaii students and promote expansion of the agricultural workforce.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor, Agriculture, and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 853, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 853, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Thielen).

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Kouchi, Thielen).

SCRep. 1103 Judiciary and Labor on H.B. No. 124

The purpose and intent of this measure is to:

- (1) Require the Office of Elections to implement elections by mail in a county with a population of less than 100,000 beginning with the 2016 primary election; additionally implement elections by mail in one or more counties with a population of more than 100,000 by the 2018 primary election; and thereafter require all federal, state, and county primary, special primary, general, special general, and special elections to be conducted by mail;
- (2) Maintain absentee voting by clarifying that a registered voter may request an absentee ballot or permanent absentee ballot in lieu of receiving an election-by-mail ballot;
- (3) Establish an elections-by-mail program, including procedures and requirements for conducting elections by mail, ballots, counting of ballots, and voter service centers;
- (4) Make conforming amendments to existing laws relating to elections to reflect and implement an elections-by-mail program;
- (5) Enable absentee walk-in voting to remain open through election day;
- (6) Ensure voter service centers in each county where election by mail has been implemented to remain open through election day to receive absentee ballots and election-by-mail ballots and allow eligible voters to register to vote;
- (7) Require the Chief Election Officer to submit a report of findings and recommendations regarding the implementation of elections by mail to the Legislature prior to the convening of each regular session through Regular Session of 2019; and
- (8) Appropriate funds for the implementation and administration of the election-by-mail program.

Your Committee received testimony in support of this measure from the Office of Elections; Disability and Communication Access Board; Office of Hawaiian Affairs; Office of the County Clerk, County of Kauai; Common Cause Hawaii; and League of Women Voters of Hawaii. Your Committee received comments on this measure from the Office of the County Clerk, County of Maui and Office of the City Clerk, City and County of Honolulu.

Your Committee finds that the trend in Hawaii has been toward increased mail-in voting and that shifting to elections-by-mail would significantly reduce the logistical issues related to conducting elections. This measure implements an election-by-mail voting system in increments to allow the State to gradually transition to conducting elections-by-mail through a phased-in approach.

Your Committee notes that section 15-4(b), Hawaii Revised Statutes (HRS), authorizes a county clerk to conduct an absentee ballot-only mail-in election for each primary, special primary, special, general, and special general election for the county of Kalawao or any island of a county with a population of less than 180,000 except for the island where the county seat of government is located. Your Committee is concerned that the phased implementation schedule in this measure starting with a county with a population of less than 100,000 by the 2016 primary election may require registered voters in the County of Kalawao and the Island of Niihau to participate in the vote-by-mail election rather than mail-in absentee ballots pursuant to section 15-4(b), HRS. Furthermore, the Office of Elections testified that they would not have the ability to establish a voter service center on the Island of Niihau as required under this measure

because they do not have access to the island without permission. Thus, your Committee believes that exceptions are necessary to allow voters in the County of Kalawao and the Island of Niihau to vote by mail-in absentee ballot pursuant to section 15-4(b), HRS.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting language from S.B. No. 287, S.D. 2 (Regular Session of 2015), a substantially similar measure, that:
 - (A) Requires the Office of Elections to implement elections by mail in a county with a population of less than 100,000, beginning with the 2016 primary election;
 - (B) Requires the Office of Elections to additionally implement elections by mail in each county with a population of less than 500,000, beginning with the 2018 primary election;
 - (C) Requires all federal, state, and county primary, special primary, general, special general, and special elections to be conducted by mail, beginning in 2020;
 - (D) Maintains absentee voting by clarifying that a registered voter may request an absentee ballot or permanent absentee ballot in lieu of receiving an election-by-mail ballot;
 - (E) Establishes an elections-by-mail program, including procedures and requirements for conducting elections by mail, ballots, and counting of ballots;
 - (F) Provides places of deposit for personal delivery of mail-in ballots and ensures that a limited number of voter service centers in each county remain open on the day of election to allow voters with special needs to vote and receive personal delivery of absentee, permanent absentee, and mail-in ballots;
 - (G) Provides for alternative places of deposit or voter service centers in the event of a natural disaster;
 - (H) Establishes the cost allocations between the State and counties for the election-by-mail system;
 - (I) Makes conforming amendments to existing laws relating to elections to reflect and implement an elections-by-mail program;
 - (J) Repeals the law regarding federal, state, and county elections by mail under section 11-91.5, HRS, and late voter registration under Act 166, Session Laws of Hawaii 2014, codified under section 11-15.2, HRS;
 - (K) Appropriates unspecified funds to the Office of Elections for fiscal years 2015-2016 and 2016-2017 for the implementation and administration of the election-by-mail program;
 - (L) Requires the Office of Elections to submit annual reports to the Legislature from 2016 through 2021 regarding the progress of implementing the elections-by-mail program, including a description of any difficulties encountered, additional resources necessary to implement the program, and specific steps taken and recommendations necessary to prevent fraud and ensure the integrity of the election process; and
 - (M) Includes an effective date of January 7, 2059;
- (2) Allowing registered voters to continue to vote by absentee ballot pursuant to section 15-4(b), HRS;
- (3) Providing an exemption for an island that conducts absentee ballot-only elections pursuant to section 15-4(b), HRS, from the requirement that at least one voter service center be provided on each inhabited island; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 124, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 124, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1104 (Joint) Health and Public Safety, Intergovernmental and Military Affairs on H.B. No. 321

The purpose and intent of this measure is to:

- (1) Establish a system of medical marijuana dispensaries and production centers;
- (2) Prohibit counties from enacting zoning ordinances or rules that prohibit the use of land for licensed dispensaries and production centers;
- (3) Clarify the right of qualifying patients, primary caregivers, and owners or employees of licensed dispensaries and production centers to transport medical marijuana in a public place; and
- (4) Appropriate funds into the medical marijuana registry and regulation special fund.

Your Committees received testimony in support of this measure from the GLBT Caucus of the Democratic Party of Hawaii; Epilepsy Foundation of Hawaii; Capitol Consultants of Hawaii, LLP; Drug Policy Action Group; The Drug Policy Forum of Hawaii; Hawaii Farmers Union United; Community Alliance on Prisons; Americans for Safe Access, Big Island Chapter; Hawaii Cannabis Care; American Civil Liberties Union of Hawaii; and eighty-three individuals. Your Committees received testimony in opposition to this measure from the Hawai'i Police Department; Honolulu Police Department; Maui Police Department; Alternative Pain Management Pu'uhoehoe, LLC; State of Hawaii Organization of Police Officers; and seventeen individuals. Your Committees received

comments on this measure from the Department of the Attorney General, Hawaii Substance Abuse Coalition, Hawaii Catholic Conference, Hawaii Family Forum, Hawaii Family Advocates, and two individuals.

Your Committees find that Hawaii's medical use of marijuana law was enacted on June 14, 2000, as Act 228, Session Laws of Hawaii 2000, to provide medical relief for seriously ill individuals in the State. While existing law recognizes the beneficial use of marijuana in treating or alleviating pain or other symptoms associated with certain debilitating illnesses, it is silent on how patients can obtain medical marijuana if they or their caregivers are unable to grow their own supply of medical marijuana.

Your Committees further find that many of the State's nearly thirteen thousand qualifying patients lack the ability to grow their own supply of medical marijuana due to a number of factors, including disability and limited space to grow medical marijuana. As a result, a regulated statewide dispensary system for medical marijuana is urgently needed by qualifying patients in the State.

Your Committees have amended this measure by:

- (1) Amending the definition of "medical marijuana dispensary" or "dispensary" to mean an entity that holds a dispensary license and operates one or more cultivation sites, manufacture sites, and retail dispensing locations;
- (2) Deleting the definition of "medical marijuana production center" or "production center";
- (3) Amending language related to medical marijuana dispensaries licensure procedures and fees to, among other things:
 - (A) Prohibit a person from acting as a dispensary unless the person is a resident of the State;
 - (B) Require the Director of Health to grant medical marijuana dispensary licenses to allow dispensaries to acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, or dispense marijuana, or related supplies and educational materials, to registered qualifying patients;
 - (C) Specify that each license allows acquisition, possession, cultivation, manufacture, transfer, transport, delivery, supply, and dispensing of medical marijuana only in a county for which it is granted;
 - (D) Establish an unspecified limit on the number of dispensary licenses allowed in each county except Kalawao;
 - (E) Establish an unspecified limit on the number of cultivation sites and dispensing locations allowed under each license;
 - (F) Specify certain eligibility requirements for dispensary licensees;
 - (G) Require the Director of Health to approve an application for a dispensary license if the application meets all dispensary licensing requirements and criteria within an unspecified number of days after receiving the application;
 - (H) Specify the dispensary license application process;
 - (I) Establish an unspecified expiration date for all dispensary licenses;
 - (J) Require that a minimum, unspecified percentage of the interests in a dispensary shall be held at all times by full-time Hawaii residents or entities wholly controlled by Hawaii residents who have documented Hawaii residency for an unspecified number of years;
 - (K) Establish requirements for individuals or entities who hold an unspecified minimum percentage interest in a dispensary;
 - (L) Require dispensaries to operate and maintain a real-time software system of accounting for the total amount of medical marijuana, including the equivalent physical weight of marijuana used to manufacture manufactured marijuana products, that a qualifying patient and primary caregiver purchase from all dispensing locations in the State; and
 - (M) Prohibit sampling or consumption of marijuana product on or within an unspecified distance of the dispensary premises;
- (4) Inserting language that establishes a total limit on the amount of medical marijuana a qualifying patient may purchase per month and per any two week period;
- (5) Inserting language that allows qualifying patients from other states to purchase medical marijuana from dispensaries in the State;
- (6) Deleting language related to medical marijuana production centers and licensure procedures;
- (7) Inserting language that prohibits dispensaries from commercial advertising and selling any products other than medical marijuana and manufactured medical marijuana products;
- (8) Inserting language that prohibits a product sold in a dispensary from containing more than an unspecified total amount of tetrahydrocannabinol;
- (9) Clarifying that the Department of Health shall adopt interim rules that shall be exempt from chapter 91 and be effective upon the effective date of this measure and up to the date of the Department's adoption of final rules in accordance with chapter 91, Hawaii Revised Statutes;
- (10) Deleting provisions related to medical marijuana dispensary rules, including but not limited to provisions related to:
 - (A) The number of medical marijuana dispensaries permitted in the State;
 - (B) A fee structure for applications and license renewals to operate a dispensary;
 - (C) Security requirements for the transportation of medical marijuana;

- (D) Rules adopted by the Department of Health exempting persons convicted of a felony that was specifically related to marijuana;
- (E) The enforcement of prohibitions against the sale or provision of medical marijuana or manufactured marijuana products in quantities that exceed certain limits; and
- (F) The establishment of a range of penalties for violations of medical marijuana dispensary rules;
- (11) Inserting provisions related to medical marijuana dispensary rules related to the destruction or disposal of marijuana products;
- (12) Inserting language that prohibits fraud and other prohibited acts;
- (13) Amending the grade of offense for the penalty related to visits to more than one dispensary to obtain medical marijuana or manufactured marijuana products from a petty misdemeanor to a misdemeanor;
- (14) Requiring all marijuana and manufactured marijuana products to be forfeited to the State upon a revocation order becoming final;
- (15) Amending the definition of “school” as used in the prohibition on dispensaries within a radius of a school to include universities;
- (16) Inserting language that prohibits everyone except certain individuals from the dispensary premises;
- (17) Inserting language that prohibits the distribution of medical marijuana to minors who are not registered qualifying patients;
- (18) Inserting language that prohibits diversion from a dispensary;
- (19) Inserting language that prohibits the alteration or falsification of medical marijuana dispensary records;
- (20) Inserting language that allows law enforcement access to dispensary records under certain conditions;
- (21) Inserting language that prohibits the use of flammable solvents by a qualifying patient or primary caregiver to extract tetrahydrocannabinol from marijuana plants;
- (22) Inserting language that allows any licensed physician, rather than only the qualifying patient’s primary care physician, to issue a written certification for the use of medical marijuana;
- (23) Inserting an unspecified repeal date; and
- (24) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 321, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 321, H.D. 1, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 1105 (Joint/Majority) Health and Commerce and Consumer Protection on H.B. No. 1075

The purpose and intent of this measure is to authorize the Maui Regional System of the Hawaii Health Systems Corporation to enter into an agreement with a private entity to transition one or more of its facilities into a new private Hawaii nonprofit corporation.

Your Committees received testimony in support of this measure from the Department of Budget and Finance; Hawaii Health Systems Corporation; Hawaii Health Systems Corporate Board; Hawaii Health Systems Corporation, Maui Region; Hawaii Health Systems Corporation, Kauai Regional Board; Maui Chamber of Commerce; Chamber of Commerce Hawaii; Healthcare Association of Hawaii; Maui Regional System Board; Maui Economic Development Board; Maui Hotel & Lodging Association; Goodfellow Bros. Inc.; Maui County Medical Society Board of Governors; Hawai‘i Lodging and Tourism Association; and twenty-nine individuals. Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, Hawaii Primary Care Association, United Public Workers, Democratic Party of Hawaii Labor Caucus, Pacific Cancer Institute of Maui, and numerous individuals. Your Committees received comments on this measure from the Department of the Attorney General, Office of Hawaiian Affairs, ILWU Local 142, and four individuals.

Your Committees find that health care is a very specialized, complex, and rapidly changing business where maintaining revenue is difficult and increasing revenue is particularly challenging. Hawaii Health Systems Corporation facilities can benefit from partners who can accelerate access to investments in areas such as health information technology, physician networks, quality improvement, supply chain management, and expertise in revenue cycle maximization.

Your Committees request that your Committees on Judiciary and Labor and Ways and Means review any monetary or labor agreement matters that may need to be further clarified.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1075, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1075, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Commerce and Consumer Protection

Ayes, 4. Noes, 1 (Taniguchi). Excused, 2 (Kahele, Kidani).

SCRep. 1106 (Joint/Majority) Health and Commerce and Consumer Protection on H.B. No. 1112

The purpose and intent of this measure is to:

- (1) Consolidate the Hawaii Health Systems Corporation operational administration and oversight by eliminating regional system boards;
- (2) Repeal certain limits on operational authority; and
- (3) Authorize Hawaii Health Systems Corporation supplemental bargaining agreements to be negotiated separately for Hawaii Health Systems Corporation employees.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, Lanai Community Health Center, Hawaii Primary Care Association, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Health Systems Corporation Corporate Board; Hawaii Health Systems Corporation, East Hawaii Region; Hawai'i Island Chamber of Commerce; Japanese Chamber of Commerce and Industry of Hawaii; and twenty-three individuals. Your Committees received comments on this measure from the Department of the Attorney General; Hawaii Health Systems Corporation; Hawaii Health Systems Corporation, Kauai Regional Board; and one individual.

Your Committees find that the Hawaii Health Systems Corporation provides essential hospital and long-term care services, in addition to physician and other health care services throughout the State. Due to rapid changes taking place in the health care industry, the governing structure of the public hospital system must provide the appropriate flexibility and autonomy needed to compete and remain viable and responsive to the needs of the specific communities served by furthering the development of centers of excellence in health care.

Your Committees also note that this measure is predicated on the assumption that the Maui Regional System of the Hawaii Health Systems Corporation is authorized to enter into an agreement with a private entity to transition one or more of its facilities into a new private Hawaii nonprofit corporation.

Your Committees have amended this measure by deleting its contents and inserting language that:

- (1) Requires the Auditor to conduct a financial and management audit of the Hawaii Health Systems Corporation every five years;
- (2) In preparing and executing all corporation-wide budgets, policies, and procedures or any regional system budgets, policies, and procedures, requires the regional system boards to submit their regional and facility budgets to the Hawaii Health Systems Corporation for approval, amendment, or rejection;
- (3) Exempts employees transitioned to a private entity from chapters 76 and 89, Hawaii Revised Statutes, when the Hawaii Health Systems Corporation or regional systems transition to a private entity;
- (4) Clarifies that the Corporation's exemption from chapter 37D, Hawaii Revised Statutes, for financing agreements applies as long as the aggregate value of financing agreements per fiscal year does not exceed \$25,000,000 per region;
- (5) Requires that the regional systems boards approve two-year budgets in alignment with state biennium budgeting;
- (6) Specifies that the corporate board shall approve the two-year budget of the regional system;
- (7) Requires the corporate board to decide the allocation for a service or function for a biennium period when allocation decisions cannot be reached by agreement of the regional and corporate boards;
- (8) Authorizes the Hawaii Health Systems Corporation or any of its regional boards to negotiate its own master collective bargaining agreement for its employees;
- (9) Clarifies that any of the regional systems or facilities may transition by partnering with a private healthcare management system, notwithstanding civil service and related laws;
- (10) Prohibits any employee of the Hawaii Health Systems Corporation who is separated from service as a result of the implementation of a transition plan from suffering any loss of retirement allowance earned; and
- (11) Includes an effective date of July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1112, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1112, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

Commerce and Consumer Protection

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Kahele, Kidani).

SCRep. 1107 (Joint) Public Safety, Intergovernmental and Military Affairs and Government Operations on H.B. No. 293

The purpose and intent of this measure is to authorize the County Liquor Commissions to accept a certificate of vendor compliance from the State Procurement Office's Hawaii Compliance Express system as evidence that a liquor applicant does not owe any delinquent taxes, penalties, or interest.

Your Committees received testimony in support of this measure from the Liquor Commission of the City and County of Honolulu and Department of Liquor Control of the County of Kauai.

Your Committees find that the current process of applying for a new liquor license or the transfer or renewal of an existing license requires that an applicant produce a signed certificate from the Department of Taxation and the Internal Revenue Service showing that the applicant does not owe the State or federal government any delinquent taxes, penalties, or interest. Compliance with this requirement can be difficult and cumbersome and can delay the issuance or renewal of a liquor license. Implementation of this measure will reduce delays in the issuance or renewal of liquor licenses and streamline the license application and renewal process.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 293, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1108 (Joint/Majority) Public Safety, Intergovernmental and Military Affairs and Transportation and Judiciary and Labor on H.B. No. 1010

The purpose and intent of this measure is to authorize each county to adopt an ordinance establishing a commuter benefits program that requires employers to offer employees specified commuter benefits options.

Your Committees received testimony in support of this measure from the Department of Transportation; Department of Transportation Services of the City and County of Honolulu; Office of Economic Development of the City and County of Kauai; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Land Use Research Foundation of Hawaii; Blue Planet Foundation; Ulupono Initiative; Hawaii Energy Policy Forum; Kohala Center; Hawaii Bicycling League; and three individuals. Your Committees received comments on this measure from the Department of Human Resources Development, Chamber of Commerce Hawaii, and one individual.

Your Committees find that employer-provided commuter benefits allow employees to reduce their transportation costs through the use of pre-tax dollars to pay for their commuting expenses. Commuter benefits programs encourage employees to use certain modes of travel as an alternative to single-occupancy vehicles, promoting the reduction of traffic congestion, greenhouse gas emissions, air pollution, and reliance on fossil fuel. Implementation of this measure will enhance the quality of life of the State's commuters and further the State's clean energy goals.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs, Transportation, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1010, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1010, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Baker, Galuteria).

Transportation

Ayes, 5. Noes, none. Excused, 4 (English, Espero, Kouchi, Slom).

Judiciary and Labor

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ihara).

SCRep. 1109 Public Safety, Intergovernmental and Military Affairs on H.B. No. 1214

The purpose and intent of this measure is to appropriate funds to the Office of the Auditor to carry out the purposes of the State-County Functions Working Group established by Act 174, Session Laws of Hawaii 2014.

Your Committee received testimony in support of this measure from the State-County Functions Working Group.

Your Committee finds that the State-County Functions Working Group was established by Act 174, Session Laws of Hawaii 2014, to evaluate the division of duties and responsibilities between the State and the counties relating to the provision of public services. Implementation of this measure will support the State-County Functions Working Group in accomplishing its duties and responsibilities.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1214, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 1110 Public Safety, Intergovernmental and Military Affairs on H.B. No. 1344

The purpose and intent of this measure is to:

- (1) Require the Director of the Hawaii Emergency Management Agency to hire a coordinator and a contracting specialist to oversee all aspects of the mitigation of hazardous situations program and ensure proper fiscal oversight; and
- (2) Appropriate funds for the hiring of the coordinator and contracting specialist.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency and two individuals.

Your Committee finds that in the absence of an emergency or disaster, the Governor is authorized to allow state employees, agents, contractors, or representatives to enter private property to mitigate situations deemed to be hazardous to the health and safety of the public. However, there is no funding available to the Hawaii Emergency Management Agency to hire designated personnel to oversee the mitigation of hazardous situations.

Your Committee further finds that there are often significant events in the State that greatly affect the State's residents. Allowing the news media to cover the mitigation of hazardous situations and access areas that are closed, pursuant to emergency management powers, enables the news media to disseminate complete information to residents.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to allow the news media, under the supervision of emergency management agency personnel, to cover the mitigation of hazardous situations and access areas that are closed pursuant to emergency management powers of the Governor or Mayor; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the implementation of this measure will provide better assurance that necessary action is taken to mitigate hazardous situations that threaten public safety while also safely providing the news media with access to closed areas.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1344, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1344, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1111 (Joint) Economic Development and Technology and Public Safety, Intergovernmental and Military Affairs on H.B. No. 1343

The purpose and intent of this measure is to appropriate state matching funds for the establishment of a business recovery center within the Department of Defense.

Your Committees received testimony in support of this measure from the Department of Defense, Hawaii Emergency Management Agency, and Chamber of Commerce Hawaii.

Your Committees find that a business recovery center encompasses an online presence and a physical structure. The physical structure is equipped with infrastructure appropriate to meet the collaborative needs of business and government agencies before, during, and after a disaster. More specifically, the business recovery center serves as a channel for private sector industries to access information on the status of utilities and roads. The center also serves as an access point for these private sector industries to post requests for proposals on contracts during and following disasters.

Your Committees additionally note that traditionally forty percent of small businesses fail following a disaster. Accordingly, collaborative efforts between local businesses and the government are particularly vital to the survival of many small businesses throughout the State. The Department of Defense was recently awarded \$1,159,000 in federal funds from the United States Department of Commerce to be used for the establishment of a business recovery center. State matching funds of \$328,000 must be provided in order to access these federal funds. This amount represents a three-fold return on the State's contribution.

Your Committees further find that funds were appropriated in the last legislative session for the land and physical structure of the business recovery center. Accordingly, the monies provided in this measure are intended to fund staff and other necessary personnel, creation and maintenance of an online website, upgrades to the existing power and air-conditioning infrastructure in the center's building, and miscellaneous, short-term projects based in the physical structure of the business recovery center.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1343, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1343, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology
Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 1112 (Joint) Economic Development and Technology and Commerce and Consumer Protection on H.B. No. 1090

The purpose and intent of this measure is to prohibit noncompete agreements and restrictive covenants that forbid post-employment competition for employees of a technology business.

Your Committees received testimony in support of this measure from the Department of Education. Your Committees received comments on this measure from the Department of the Attorney General, High Technology Development Corporation, and TechMana LLC.

Your Committees find that technology companies utilize noncompete and nonsolicit agreements to protect their intellectual property and corporate knowledge, and eliminating all agreements of this type may not be advantageous for some small technology businesses. However, some technology companies in Hawaii are increasingly finding it difficult to accommodate noncompete and nonsolicit agreements and still fill openings with talented, experienced individuals. This difficulty is often due to a lack of available candidates who are qualified or available to work in the State because of the restrictions built into the candidates' previous employers' noncompete or nonsolicit agreements. Your Committees find that this measure favors employee mobility, which can help retain spin-off companies and entrepreneurial employees within Hawaii.

Your Committees have amended this measure by:

- (1) Clarifying that if an employment contract contains a noncompete or nonsolicit clause relating to an employee of a technology business, the clause shall be void and of no force and effect;
- (2) Amending the term "technology business" to mean a trade or business that derives the majority of its gross income, rather than revenue, from the sale or license of products or services resulting from its software development or information technology development, or both; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1090, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1090, H.D. 2, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Economic Development and Technology
Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Chun Oakland, Dela Cruz).

Commerce and Consumer Protection
Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Taniguchi).

SCRep. 1113 Economic Development and Technology on H.B. No. 774

The purpose and intent of this measure is to make an appropriation to the Department of Business, Economic Development, and Tourism for the Small Business Regulatory Review Board to hire additional staff.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; State Procurement Office; Chamber of Commerce Hawaii; Hawaii Farm Bureau; Maui Chamber of Commerce; Hawaii Business League; Hawaii Cattlemen's Council; Building Industry Association of Hawaii; and three individuals.

Your Committee finds that the Small Business Regulatory Review Board (SBRRB) is comprised of representatives from small businesses statewide that volunteer to meet on a monthly basis to review existing, modified, and new administrative rules that affect small businesses. The purpose of this review is to ensure these rules are designed and implemented in the most cost-efficient and straightforward manner possible for small businesses. To date, SBRRB has reviewed over six hundred thirty rules and regulations since its inception in 1998.

Your Committee additionally finds that there is one staff member from the Department of Business, Economic Development, and Tourism that is currently assigned to assist the SBRRB. Further, despite the extraordinary mandate of SBRRB, including the requirement that there be at least one volunteer representative from each county, there is no budget reserved for operations and projected goals, such as community outreach. As your Committee noted, even a modest sum appropriated in this measure would provide these volunteers with a dedicated staff member, adequate office supplies, and miscellaneous materials necessary to fulfill their mandate.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 774, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1114 (Majority) Economic Development and Technology on H.B. No. 441

The purpose and intent of this measure is to:

- (1) Establish the infrastructure capacity construction loan revolving fund to provide loans to counties, state agencies, or private developers for infrastructure improvements; and
- (2) Appropriate funds for the administration and implementation of the infrastructure capacity construction loan revolving fund.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Office of Planning, Department of Planning and Permitting of the City and County of Honolulu, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, Land Use Research Foundation of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that, despite often being taken for granted, infrastructure is one of the biggest issues that governments need to address in their public policies. More specifically, infrastructure investment in particular areas, such as the development of roads, drainage, communications, information technology, educational institutions, ports, and hospitals, is important to economic development and the overall quality of life in the State.

Your Committee further finds that this measure will provide opportunities to accelerate the deployment of broadband and telecommunications infrastructure across the State and promote the efficient use of government and private resources while minimizing the disruption to the public caused by this deployment. However, your Committee also finds that while it is appropriate for the Office of Planning to be involved in the coordination of regional infrastructure improvements, the Department of Accounting and General Services is more capable of providing the necessary capacity and expertise to administer the financing mechanisms to address the complexity, scale, and range of deploying community infrastructure statewide.

Your Committee has amended this measure by:

- (1) Requiring the Department of Accounting and General Services to administer the infrastructure capacity construction loan revolving fund, rather than the Office of Planning; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 441, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 441, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, 1 (Dela Cruz). Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1115 Economic Development and Technology on S.C.R. No. 37

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to take certain actions to improve job creation and the business climate statewide.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Grassroot Institute of Hawaii.

Your Committee finds that over the past thirty years, Hawaii's economy has undergone significant diversification, especially in particular industries of innovation, creativity, and energy. The unemployment rate in Hawaii is traditionally lower than the United States average by two percentage points. Further, unemployment in Hawaii is among the ten lowest of all states nationwide.

However, your Committee finds that improvements in the areas of job creation and business climate are the exception, rather than the norm, for the general economy in the State. Your Committee notes that there is a lack of standards for accountability and annual improvement within the Department of Business, Economic Development, and Tourism (DBEDT) and its attached agencies. More specifically, your Committee finds that the design and implementation of specific and clearly articulated goals for DBEDT and its attached agencies will ensure the fiscal accountability and transparency of DBEDT in the future.

Your Committee has amended this measure by:

- (1) Inserting language to request the Director of Business, Economic Development, and Tourism to provide an oral presentation on the goals of the Department and its attached agencies, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (2) Inserting language to request the Director of Business, Economic Development, and Tourism to submit a report on the goals of the Department and its attached agencies, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 37, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 37, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1116 Economic Development and Technology on S.R. No. 13

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to take certain actions to improve job creation and the business climate statewide.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Grassroot Institute of Hawaii.

Your Committee finds that over the past thirty years, Hawaii's economy has undergone significant diversification, especially in particular industries of innovation, creativity, and energy. The unemployment rate in Hawaii is traditionally lower than the United States average by two percentage points. Further, unemployment in Hawaii is among the ten lowest of all states nationwide.

However, your Committee finds that improvements in the areas of job creation and business climate are the exception, rather than the norm, for the general economy in the State. Your Committee notes that there is a lack of standards for accountability and annual improvement within the Department of Business, Economic Development, and Tourism (DBEDT) and its attached agencies. More specifically, your Committee finds that the design and implementation of specific and clearly articulated goals for DBEDT and its attached agencies will ensure the fiscal accountability and transparency of DBEDT in the future.

Your Committee has amended this measure by:

- (1) Inserting language to request the Director of Business, Economic Development, and Tourism to provide an oral presentation on the goals of the Department and its attached agencies, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (2) Inserting language to request the Director of Business, Economic Development, and Tourism to submit a report on the goals of the Department and its attached agencies, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 13, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 13, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1117 Economic Development and Technology on S.C.R. No. 36

The purpose and intent of this measure is to request the High Technology Development Corporation to convene a working group to examine the establishment of a first responders technology campus and cyber security command center in central Oahu.

Your Committee received testimony in support of this measure from the Department of Public Safety, Office of Information Management and Technology, High Technology Development Corporation, and Land Use Research Foundation of Hawaii.

Your Committee finds there is increasing importance in understanding and strengthening cyber security measures statewide. This importance is based in the inherent risks of an isolated island community against potential attacks by cyber criminals. These risks exist on multiple levels and are acknowledged by government and nongovernmental entities worldwide. These entities, as well as innumerable businesses and individuals, conduct trillions of dollars of transactions over the Internet, as well as store increasing amounts of critical medical, identity-specific, and fiscal records in the cyber world. The State is in need of sophisticated expertise throughout the islands in order to protect these various forms of data.

Your Committee further finds that the findings and recommendations of the working group would serve as a foundation to adequately and appropriately establish high technology jobs, enhance in-state technological capabilities, and provide cutting edge training facilities for county and state first responders.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 36 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1118 Economic Development and Technology on S.R. No. 12

The purpose and intent of this measure is to request the High Technology Development Corporation to convene a working group to examine the establishment of a first responders technology campus and cyber security command center in central Oahu.

Your Committee received testimony in support of this measure from the Department of Public Safety, Office of Information Management and Technology, High Technology Development Corporation, and Land Use Research Foundation of Hawaii.

Your Committee finds there is increasing importance in understanding and strengthening cyber security measures statewide. This importance is based in the inherent risks of an isolated island community against potential attacks by cyber criminals. These risks exist on multiple levels and are acknowledged by government and nongovernmental entities worldwide. These entities, as well as innumerable businesses and individuals, conduct trillions of dollars of transactions over the Internet, as well as store increasing amounts of critical medical, identity-specific, and fiscal records in the cyber world. The State is in need of sophisticated expertise throughout the islands in order to protect these various forms of data.

Your Committee further finds that the findings and recommendations of the working group would serve as a foundation to adequately and appropriately establish high technology jobs, enhance in-state technological capabilities, and provide cutting edge training facilities for county and state first responders.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 12 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Baker, Chun Oakland, Harimoto).

SCRep. 1119 (Joint/Majority) Water and Land and Human Services and Housing on H.B. No. 1469

The purpose and intent of this measure is to set caps on the amount of conveyance tax revenues that are allocated to the land conservation fund, rental housing trust fund, and natural area reserve fund, with the remaining revenues to be retained in the general fund.

Your Committees received testimony in support of this measure from Hawai'i Association of REALTORS. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources; Hawaii Housing Finance and Development Corporation; Partners in Care; Faith Action for Community Equity; The Nature Conservancy of Hawai'i; Office for Social Ministry; Catholic Charities Hawai'i; and Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled (PHOCUSED). Your Committees received comments on this measure from the Tax Foundation of Hawaii and Hawai'i Appleseed Center for Law and Economic Justice.

Your Committees find that the majority of testimony received on this measure was in opposition.

Your Committees further find that the Rental Housing Trust Fund (RHTF) has been instrumental in the statewide delivery of rental housing for lower income households. Since the inception of the program, deposits into the RHTF from conveyance tax revenues have totaled \$277 million. During that period, as a result of interest earned and loan repayments, funding awards of \$295 million were made for sixty-four rental projects totaling 5,205 units.

Your Committees further find that the Natural Area Reserve Fund (NARF) supports a comprehensive suite of conservation programs, including the Natural Area Partnership and Forest Stewardship Programs; Natural Area Reserves Program; Watershed Partnerships Program; and Youth Conservation Corps. These programs protect Hawaii's invaluable ecosystems and forested watersheds. The Legislature has wisely provided NARF funding for watershed protection and other natural resource conservation programs since 1991 as the development, sale, and improvement of real estate in Hawaii adds additional pressure on natural areas, coastal access, agricultural production, and Hawaii's water resources and watershed discharge areas.

Your Committees further find that the Land Conservation Fund serves as a source of grant funding for the protection of rare or important natural, cultural, agricultural, and recreational resources through acquisition of fee and conservation easement interests in land. This is accomplished by providing grants to nonprofit land conservation organizations, state agencies, and counties for the acquisition of interests or rights in land having value as a resource to the State, in either fee title or through the establishment of permanent conservation easements.

Your Committees further find that as development increases, the threat of fires spreading from developed areas into wilderness areas and vice versa is increased. The rate of large wildfires in Hawaii is steadily increasing, and these fires often originate in urban areas. Development also increases infrastructure exposure to natural disasters and the need for emergency response. Climate change and expanded development will increase the vulnerability to natural disasters and require increased emergency response capacity. Therefore, your Committees find that amendments to this measure are necessary to add an allowable use of conveyance tax revenue for wildfire prevention, control, and emergency response, and further find that there is a nexus between conveyance tax and wildfire prevention, control, and emergency response.

Your Committees acknowledge that the State must prudently manage its finances in times of slow economic growth, balancing the need to retain funds for general uses in financing government against the need to expend tax revenue for certain purposes. Thus, as proposed by testimony from a number of agencies, your Committees find that placing a sunset date on the caps for all three allocations of conveyance tax revenues proposed by this measure will allow the impacts of these caps to be evaluated.

Your Committees have amended this measure by:

(1) Amending the distribution of conveyance tax revenue as follows:

- (A) Capping at \$7,600,000 or ten percent, whichever is less, the distribution into the land conservation fund, with any difference between the ten percent and \$7,600,000 to be transferred to the native resources and fire protection program to be expended for wildfire prevention, control, and emergency response; and
- (B) Capping at \$19,000,000 or twenty-five per cent, whichever is less, the distribution into the natural area reserve fund, with any difference between the twenty-five percent and \$19,000,000 to be transferred to the native resources and fire protection program to be expended for wildfire prevention, control, and emergency response;

- (2) Inserting a repeal date of June 30, 2017, thereby making the caps for all three allocations of conveyance tax revenues proposed by this measure effective for two fiscal years only; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1469, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1469, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 3. Noes, 2 (Riviere, Slom). Excused, 2 (Ihara, Ruderman).

Human Services and Housing

Ayes, 2; Ayes with Reservations (Chun Oakland, Harimoto). Noes, 1 (Riviere). Excused, 2 (Green, Slom).

SCRep. 1120 (Joint) Human Services and Housing and Health on H.B. No. 582

The purpose and intent of this measure is to:

- (1) No longer exempt the nursing facility sustainability program special fund from central service expenses and departmental administrative expenses;
- (2) Continue the nursing facility sustainability program for one additional year; and
- (3) Appropriate funds from the nursing facility sustainability program special fund for fiscal year 2015-2016.

Your Committees received testimony in support of this measure from the Department of Human Services, Chamber of Commerce Hawaii, Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Hawaii Primary Care Association, and The Queen's Health Systems.

Your Committees find that the majority of residents in Hawaii's nursing facilities are Medicaid enrollees and the nursing facility sustainability program ensures that they have access to quality care. Your Committees further find that the Legislature created the nursing facility sustainability program to increase Medicaid payments to nursing facilities in recognition that Medicaid payments to nursing facilities are below the actual costs of care.

Your Committees have amended this measure by specifying an effective date of June 29, 2015, for the clarifying language about permissible allocation of proceeds from the nursing facility sustainability program special fund.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 582, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 582, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Ruderman, Slom).

SCRep. 1121 Human Services and Housing on H.B. No. 283

The purpose and intent of this measure is to establish an exemption from general excise taxes for the development of mixed-use projects incorporating affordable housing units on state or county lands near an existing or proposed mass transit station.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Hawai'i Association of REALTORS, Land Use Research Foundation of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that plans for growth outside the urban core and development of corresponding amenities generally increase nearby land and housing values. Market forces have historically failed to generate affordable housing in these areas, making it incumbent upon the government to intervene where market forces fail to create the desired solution. Location-efficient housing on state or county land requires that affordable housing units consist of high-density vertical housing within mixed-use environments to ensure that the greatest number of potential tenants and purchasers can avail themselves of its conveniences and cost savings.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 283, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 283, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1122 Human Services and Housing on H.B. No. 600

The purpose and intent of this measure is to authorize the Department of Health to permit two private-pay individuals who are married to be cared for in the same community care foster family home if certain qualifying conditions are met by the home and home operator.

Your Committee received testimony in support of this measure from the Adult Foster Home of the Pacific, Adult Foster Homecare Association of Hawaii, and numerous individuals. Your Committee received comments on this measure from the Department of Human Services and Department of Health.

Your Committee finds that community care foster family homes provide an essential function in the State by providing residents with housing, supervision, personal care, and assistance with daily living activities. Your Committee recognizes that the State's aging population has varying health needs, and that Medicaid clients as well as private-pay clients have limited options for long-term care. Your Committee finds that providing flexibility in the licensing options for community care foster family homes would allow the Department of Health to better address Hawaii's long-term care needs.

Your Committee has amended this measure by:

- (1) Inserting language to allow civil union couples along with married couples to be cared for in the same community care foster family home;
- (2) Making the Department of Health's authority to allow married or civil union couples to be cared for in the same community care foster family home discretionary regardless of the two individuals' payment sources so that couples that are not both private-pay and not both Medicaid recipients can still have the opportunity to be cared for in the same home;
- (3) Inserting a provision giving the Department of Health the discretion to reassign one of the beds in the community care foster family home back to use for a Medicaid client as originally intended in section 321-481, Hawaii Revised Statutes, once the married or civil union relationship no longer exists in the home;
- (4) Making the measure effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 600, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 600, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1123 Agriculture on H.B. No. 1332

The purpose and intent of this measure is to appropriate monies for maintenance and improvements to the Pe'ekauai Ditch irrigation system.

Your Committee received testimony in support of this measure from the Department of Agriculture, University of Hawaii System, Hawaii Cattlemen's Council, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, East Kauai Water Users' Cooperative, Kauai County Farm Bureau, Kalepa Coalition, Syngenta Hawaii, Saiva Siddhanta Church, and one individual.

Your Committee finds that reliable irrigation systems are the lifelines of Hawaii's agricultural community. To ensure that Hawaii's agricultural crops receive a steady and dependable supply of water, irrigation systems need to be repaired, properly maintained, and improved to meet agricultural water requirements and to address extended water droughts.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1332, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1124 Agriculture on H.B. No. 482

The purpose and intent of this measure is to establish and appropriate monies to fund a full-time temporary program manager position in the Department of Agriculture for the pesticide subsidy program.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Cattlemen's Council, Kona Coffee Farmers Association, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Royal Kona Coffee Visitor Center Mill and Museum, Hawaii Coffee Growers Association, Hawaii Coffee Association, Maui Chamber of Commerce, Hawaii Farmers Union United, Greenwell Farms, Kauai Coffee Company LLC, and four individuals.

Your Committee finds that Act 105, Session Laws of Hawaii 2014, established a pesticide subsidy program within the Department of Agriculture effective from July 1, 2014, through June 30, 2019, with the purpose of providing subsidies to coffee farmers for the purchase of pesticides containing the fungus *Beauveria bassiana* to control infestation of the coffee berry borer. Although Act 105 appropriated funds to be used to hire one temporary program specialist for the pesticide subsidy program, the Act did not create a program manager position; this measure seeks to establish and appropriate funds to enable the Department of Agriculture to hire a program manager.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 482, H.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1125 Agriculture on H.B. No. 573

The purpose and intent of this measure is to develop and support good agricultural practices by establishing a permanent Hawaii Good Agricultural Practices Program, within the Department of Agriculture, for farms growing agricultural food products.

Your Committee received testimony in support of this measure from the Department of Agriculture, University of Hawaii System, Environmental Council, Ulupono Initiative, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Syngenta Hawaii, Hawaii Farmers Union United, and five individuals.

Your Committee finds that a Hawaii Good Agricultural Practices Program helps to fulfill the mandate of the Hawaii State Constitution to preserve and protect agricultural resources and will assist small farms to develop science- and risk-based good agricultural practices to reasonably reduce the potential for on-farm food-borne illnesses by providing education and compliance certification programs.

Your Committee further finds that the Program will aid farmers with compliance under the Food Safety Modernization Act of 2011, which authorizes the Food and Drug Administration to set minimum criteria for preventing food-borne illnesses, once Hawaii farmers come under the authority of the Act.

Your Committee has amended this measure by inserting an effective date of January 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 573, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 573, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1126 Agriculture on H.B. No. 1345

The purpose and intent of this measure is to appropriate monies for the operation, repair, maintenance, and improvement of the East Kauai Water Users' Cooperative irrigation systems.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Dupont Pioneer, Land Use Research Foundation of Hawaii, East Kauai Water Users' Cooperative, Kalepa Coalition, Syngenta Hawaii, Saiva Siddhanta Church, Kauai County Farm Bureau, Hawaii Farmers Union United and two individuals.

Your Committee finds that reliable irrigation systems are the lifelines of Hawaii's agricultural community. To ensure that Hawaii's agricultural crops receive a steady and dependable supply of water, irrigation systems need to be repaired, properly maintained, and improved to meet agricultural water requirements and to address extended water droughts.

Your Committee has amended this measure by:

- (1) Making technical amendments to clarify that the appropriation is for the operation, repair, maintenance, and improvement of the East Kauai irrigation system by the East Kauai Water Users' Cooperative; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1345, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1345, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1127 Government Operations on H.B. No. 1292

The purpose and intent of this measure is to work toward increasing transparency and accountability in public contracts by establishing a task force to examine the issue of past performance and establish the factors that should be considered as part of due diligence when evaluating a contractor's past performance for the purpose of awarding a contract under chapter 103D or 103F, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii Alliance of Nonprofit Organizations, Subcontractors Association of Hawaii, and General Contractors Association of Hawaii. Your Committee received comments on this measure from the State Procurement Office; Hawaii Operating Engineers Industry Stabilization Fund; and Hawaii Building and Construction Trades Council, AFL-CIO.

Your Committee finds that a contractor's past performance is an important indicator to consider when evaluating bids or proposals on public contracts. A uniform metric for evaluating past performance will help procurement officers make more informed choices when awarding contracts and will ultimately yield superior results for the State.

Your Committee has amended this measure by:

- (1) Changing the name of the task force to the procurement task force and changing the convening entity to the Department of Accounting and General Services;
- (2) Redefining the scope of the task force to examine the cost impacts that the procurement process has had for public works construction projects, and specifically to examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county governments;
- (3) Reconstituting the membership of the task force by naming the Comptroller or Comptroller's designee as chair and giving the Comptroller the duty of soliciting members from various entities and any other representatives deemed necessary by the Comptroller;
- (4) Deleting the responsibilities assigned to the task force regarding establishing factors to be considered in evaluating a contractor's past performance;
- (5) Adding language assigning the task force the responsibility of identifying and proposing amendments, if any, to the procurement code that may better promote economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects, specifically regarding statewide past performance standards and processes; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1292, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1292, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1128 Government Operations on H.B. No. 1127

The purpose and intent of this measure is to require the State Procurement Office to provide mandatory procurement training and any additional training as the chief procurement officers may determine for all state and county government employees that are charged with procurement.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Construction Alliance, Hawaii Alliance of Nonprofit Organizations, Ulupono Initiative, Hawaii Operating Engineers Industry Stabilization Fund, and Building Industry Association of Hawaii. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that proper training is essential to ensure effective procurements. A mandatory statewide training and development program will promote uniform procurement practices and consistent application of the procurement code.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1127, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1127, H.D. 1, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1129 Government Operations on H.B. No. 697

The purpose and intent of this measure is to require the Auditor to review various departmental engineering sections that manage general fund capital improvement projects to determine whether it is in the public interest to continue to operate duplicative engineering operations among various departments throughout state government projects.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services.

Your Committee finds that the State expends large sums on capital improvement projects. It is critical that such projects are undertaken and carried out in the best interest of the State and at a good value to the taxpayers. Gathering and evaluating information about the processes of the various departmental engineering sections will assist the Legislature in determining how the State should proceed with its engineering operations.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 697, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 697, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1130 Government Operations on H.B. No. 1366

The purpose and intent of this measure is to appropriate funds to identify, plan, and acquire or build upon real property in urban Honolulu to provide office space for state governmental agencies and offices.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services.

Your Committee finds that additional infrastructure is needed to house state agencies. Current office space is insufficient, and additional space needs to be made available for state departments and agencies in urban Honolulu. Due to the high costs of development and limited resources, creative solutions are needed to solve the facilities shortage.

Your Committee has amended this measure by:

- (1) Adding language requiring the Department of Accounting and General Services to:
 - (A) Undertake lease buyback processing under the program of centralized engineering and office leasing services;
 - (B) Facilitate facility agreements between the State and private investors; and
 - (C) Conduct an inventory of all leases of property to state agencies and appropriate funds to carry out that purpose; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1366, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1366, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1131 (Joint/Majority) Higher Education and the Arts and Judiciary and Labor on H.B. No. 553

The purpose and intent of this measure is to create collective bargaining unit (15) for graduate student assistants employed by the University of Hawaii.

Your Committees received testimony in support of this measure from the University of Hawaii Professional Assembly, University of Hawaii Graduate Student Organization, University of Hawaii Student Caucus, Hawaii State AFL-CIO, Hawaii State Teachers Association, and seven individuals. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance, University of Hawaii System, and one individual. Your Committees received comments on this measure from the Office of Collective Bargaining, Hawaii Government Employees Association, and one individual.

Your Committees find that graduate students contribute to the various missions of the University of Hawaii as graduate student assistants that serve as teaching assistants for undergraduate students and as research assistants on world-class research projects.

Your Committees further find that as an integral part of the University of Hawaii System, graduate student assistants constitute a committed learning community, perform important research, and ensure a substantial proportion of the many academic requirements within the mandate of the University, including providing adequate teaching and classroom instruction for undergraduate students, is fulfilled.

Under existing law, graduate student assistants are not afforded the same labor protections as the University faculty and staff. Accordingly, your Committees find that providing collective bargaining rights to graduate student assistants is one means by which to ensure the sustainability and equity of the existing and future University labor force.

Your Committees have amended this measure by:

- (1) Inserting language to clarify that graduate student assistants employed by the University of Hawaii are not student help for purposes of chapter 89, Hawaii Revised Statutes;
- (2) Inserting language to require the Director of Human Resources Development to convene the prospective collective bargaining unit working group to:
 - (A) Collaborate with representatives of the graduate student assistants of the University of Hawaii and determine whether graduate student assistants should become members of collective bargaining unit (8) or collective bargaining unit (15), as created by this measure;
 - (B) Determine specific collective bargaining rights and privileges to be proposed for collective bargaining unit (15);
 - (C) Consider appropriate salaries, wages, other compensation, and working hour restrictions for individuals in collective bargaining unit (15); and
 - (D) Consider whether individuals in collective bargaining unit (15) should be provided with the right to binding arbitration or the right to strike;
- (3) Inserting language requiring the prospective collective bargaining unit working group to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; provided that the establishment of a collective bargaining unit for graduate student assistants shall take effect on December 31, 2016, to allow the Legislature to make any necessary amendments based on the prospective collective bargaining unit working group's recommendations; and

- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 553, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 553, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts

Ayes, 3; Ayes with Reservations (Wakai). Noes, 2 (Kahale, Kidani). Excused, 2 (Inouye, Slom).

Judiciary and Labor

Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Espero, Slom).

SCRep. 1132 Agriculture on H.B. No. 1177

The purpose and intent of this measure is to appropriate funds to establish a full-time grant writer position within the Department of Agriculture to assist farmers and ranchers in applying for and obtaining grants offered by the United States Department of Agriculture and to assist farmers and ranchers in fulfilling the requirements of the grants.

Your Committee received testimony in support of this measure from the Department of Agriculture, Land Use Research Foundation of Hawaii, Hawaii Farm Bureau, and two individuals.

Your Committee finds that many of Hawaii's farmers and ranchers struggle to secure the financial support necessary to establish a thriving, vibrant business and many smaller farm or ranch owners may lack the necessary business and management expertise to seek out and apply for the various sources of funding available to them, including funding provided by the United States Department of Agriculture. Your Committee further finds that to obtain grants from that department, applicants must complete an application process that is sometimes arduous and complex. Without specific technical expertise in grant writing, it is difficult for many small farmers or ranchers to obtain those grants. Your Committee therefore finds that assistance to farmers and ranchers by an experienced grant writer could greatly benefit Hawaii's agricultural businesses.

Your Committee also finds that the grant writer should assist farmers in alignment with state policy, objectives, and planning goals and article XI, section 3, of the Hawaii State Constitution, which requires the State to "promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands."

Accordingly, your Committee has amended this measure by:

- (1) Inserting language that requires the Department of Agriculture grant writer to assist farmers and ranchers who produce local food that is at least partly consumed within the State;
- (2) Inserting language that requires the grant writer to prioritize assistance to farmers who use organic or Korean natural farming techniques;
- (3) Amending section 1 to reflect the amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1177, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1177, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1133 (Joint) Agriculture and Judiciary and Labor on H.B. No. 823

The purpose and intent of this measure is to establish a two-year agricultural theft pilot project to focus on investigating and prosecuting agricultural theft or agricultural vandalism in the County of Hawaii.

Your Committees received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawaii; Hawaii Farm Bureau; Land Use Research Foundation of Hawaii; Hawaii Cattlemen's Council; Hawaii Crop Improvement Association; and one individual.

Your Committees find that agricultural theft or agricultural vandalism is a constant worry for farmers and ranchers and given the broad acreage that many farming operations encompass, it is often difficult for farmers to police their entire operations at all times. Furthermore, vigilance at night after work hours may be challenging because not all farmers and ranchers are able to live on or near the fields where they work. All of these factors make agricultural operations easy prey for theft or vandalism.

Your Committees further find that agricultural theft or agricultural vandalism has especially been a constant threat for farmers and ranchers on the Island of Hawaii, increasing the cost of production and making it more difficult for farming operations to be successful.

Your Committees have amended this measure by:

- (1) Inserting language to change the appropriation to a grant-in-aid to the Office of the Prosecuting Attorney, County of Hawaii;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 823, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 823, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

Judiciary and Labor

Ayes, 5. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 1134 Agriculture on H.B. No. 995

The purpose and intent of this measure is to appropriate funds for the implementation and operation of the Future Farmers of America program and the 4-H program.

Your Committee received testimony in support of this measure from the Department of Agriculture, University of Hawaii System, Hawaii Cattlemen's Association, National FFA Organization, Hawaii Farm Bureau, Hawaii Primary Care Association, Hawaii State Teachers Association, Syngenta Hawaii, Hawaii Farmers Union United, Local Food Coalition, and three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that support of local agriculture is a strategic investment that builds community resilience and strengthens the economy. Your Committee further finds that Hawaii lacks young farmers and ranchers with the experience, skills, and ambition to undertake the business of farming and ranching and therefore finds it is necessary to rebuild existing programs, specifically the Future Farmers of America and 4-H programs, that educate, support, and encourage youth to pursue agricultural careers, as well as existing whole system approach, on-farm mentoring programs.

Your Committee has amended this measure by:

- (1) Inserting language from S.B. No. 380 (Regular Session of 2015), that directs the Department of Agriculture to provide grants to support existing whole system approach, on-farm mentoring programs;
- (2) Amending section 1 to reflect the amended purpose of this measure;
- (3) Inserting language to appropriate funds as a grant for existing whole system approach, on-farm mentoring programs;
- (4) Inserting language making the appropriation for the 4-H program a grant, pursuant to chapter 42F, Hawaii Revised Statutes, to the Hawaii 4-H Foundation;
- (5) Inserting an effective date of July 1, 2112, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 995, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 995, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1135 Higher Education and the Arts on H.B. No. 541

The purpose and intent of this measure is to:

- (1) Require each University of Hawaii campus to prepare an operations plan, to be reviewed by the University of Hawaii President and Vice President for Budget and Finance and Chief Financial Officer (Vice President for Budget and Finance) each year; and
- (2) Require the monies in the University of Hawaii tuition and fees special fund for each University of Hawaii campus to lapse to the credit of Program ID No. UH900 (University of Hawaii, system wide support).

Your Committee received testimony in support of this measure from the University of Hawaii System and three individuals.

Your Committee finds that requirements built into this measure enable the President and Vice President for Budget and Finance to exercise significantly greater control over operations that occur on each University of Hawaii campus. More specifically, this measure provides the opportunity for the President and Vice President for Budget and Finance to review an operations plan prepared annually by each University of Hawaii campus. This review process further enables the approval, modification, or withholding of planned expenditures if the criteria for the operations plan are not met.

Your Committee has amended this measure by:

- (1) Amending the University of Hawaii, system wide support program identification number from "UH900" to "UOH900";
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 541, H.D. 1, as amended herein, and recommends that it

pass Second Reading in the form attached hereto as H.B. No. 541, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Wakai, Slom).

SCRep. 1136 (Majority) Higher Education and the Arts on H.B. No. 547

The purpose and intent of this measure is to:

- (1) Require the University of Hawaii to develop the Graduation Pathway System, including structured, default pathways to graduation, meta-majors, academic maps, cornerstone classes, and highly-structured options; and
- (2) Appropriate funds for full-time equivalent positions to assist in carrying out the Graduation Pathway System.

Your Committee received comments on this measure from the University of Hawaii System and one individual.

Your Committee finds that the establishment of the Graduation Pathway System, with its potential to strengthen education outcomes for higher education students across the State, is a matter of statewide concern. The elements of the Graduation Pathway System are key to students navigating through college and progressing successfully to on-time graduation.

Your Committee further finds that, in 2010, the University of Hawaii implemented the Hawaii Graduation Initiative. The Hawaii Graduation Initiative was designed and implemented to strengthen educational outcomes in the State and close educational disparities. More specifically, the Hawaii Graduation Initiative assists the University of Hawaii in identifying metrics, actions and tactics, and systematically collect, analyze, and report data.

Accordingly, your Committee finds that the interests of the students, their families, University of Hawaii, and the State would be best served by authorizing, but not requiring, the development and implementation of a Graduation Pathway System by the University of Hawaii.

Your Committee has amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Deleting the requirement that the University of Hawaii develop and implement the Graduation Pathway System;
- (3) Inserting language to require the University of Hawaii to explore administrative measures to provide guidance to students to increase the rate of on-time graduation and authorize the development of a Graduation Pathway System; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 547, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 547, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, 1 (Kidani). Excused, 3 (Inouye, Wakai, Slom).

SCRep. 1137 Higher Education and the Arts on H.B. No. 140

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Chaminade University of Honolulu.

Your Committee received testimony in support of this measure from Chaminade University of Honolulu, Board of Regents of Chaminade University of Honolulu, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that this measure secures special purpose revenue bonds to assist Chaminade University of Honolulu to finance and refinance the planning, acquisition, construction, improvement, and equipping of its educational facilities, as well as its three on-campus and two off-campus residence halls.

Your Committee further finds that these special purpose revenue bonds will enable Chaminade University to accomplish many necessary immediate and long-term projects. These projects include bolstering Chaminade's financial security through defeasement of existing bonds, renovating aging educational, athletic, and residential facilities, enhancing recruitment materials, and conducting structural maintenance of the campus and its buildings, including external infrastructure and landscaping.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 140, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kahele).

SCRep. 1138 Agriculture on H.B. No. 1372

The purpose and intent of this measure is to amend the definition of "public utility" to exclude any person who provides water solely to agricultural activities.

Your Committee received testimony in support of this measure from the Department of Agriculture. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that Hawaii's fresh water resources have always been considered part of the public trust, to be managed and administered for the public benefit rather than for private gain and the State, through its agencies, has an affirmative duty to uphold this trust and to ensure that private entities are not allowed to unduly benefit from one of Hawaii's most precious natural resources. Your Committee questions whether the amendment proposed by this measure is necessary or appropriate; therefore, your Committee finds that this issue requires further study.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting language that requires the Department of Agriculture to establish a working group to study the feasibility of excluding any person who provides water solely to agricultural activities from the definition of "public utility" as used in chapter 269, Hawaii Revised Statutes;
- (2) Inserting language that outlines the working group membership;
- (3) Inserting language that requires the working group to report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (4) Inserting an effective date of upon approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1372, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1372, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1139 Agriculture on H.B. No. 1051

The purpose and intent of this measure is to allow the Department of Agriculture to establish rules relating to Hawaii geographic origin labeling of agricultural commodities.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Ulupono Initiative, and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Farmers Union United, Kona Coffee Farmers Association, Smithfarms, Athena of Hawaii LLC, Kona Pacific View, Kona View Coffee, and eighteen individuals.

Your Committee recognizes the value of the "Hawaii" designation on agricultural commodities and finds that the Department of Agriculture has the authority to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to further specify appropriate Hawaii geographic origin labeling of agricultural products. Your Committee finds that no other place in the world allows for geographic indication labeling without a pure product. Examples include Idaho potatoes, Florida oranges, California raisins, Napa wine, Samuel Adams Boston Lager, Maine lobster, Olathe corn, and of course Champagne. Geographical indications boost visibility and the reputation of a region, increasing tourism and allowing for multi-generational farms.

Your Committee has amended this measure by:

- (1) Replacing the term "Hawaii geographic origin" with the term "Hawaii geographic indication";
- (2) Inserting language that defines "Hawaii geographic indication" as an agricultural product, excluding coffee and macadamia nuts, that is one hundred percent grown in Hawaii;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1051, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1051, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1140 Agriculture on H.B. No. 508

The purpose and intent of this measure is to:

- (1) Establish and fund a grant program for qualified feed developers;
- (2) Appropriate funds to reimburse qualified producers of certain products for their cost of feed;
- (3) Appropriate funds to reimburse qualified producers and feed developers for the costs of feed development; and
- (4) Require and fund the Department of Agriculture to conduct a survey to identify, assess, and validate locally sourced feed ingredients available to qualified feed developers.

Your Committee received testimony in support of this measure from the Hawaii Cattlemen's Council, Ulupono Initiative, and twenty-nine individuals. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii. Your Committee received comments on this measure from one individual.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Deleting the appropriation to reimburse qualified producers of certain products for their cost of feed;
- (2) Amending section 1 to reflect the amended purpose of this measure;
- (3) Inserting language from S.B. No. 375, S.D. 2 (Regular Session of 2015), that creates a new part in chapter 141, Hawaii Revised Statutes, which authorizes industrial hemp to be grown for purposes of research conducted under an agricultural pilot program or other agricultural or academic research by an institution of higher education or by others acting under specific agreement with and under the authority of the Hawaii Department of Agriculture;
- (4) Inserting language that exempts the possession, cultivation, sale, receipt, or transfer of industrial hemp as authorized under chapter 141, Hawaii Revised Statutes, from criminal offenses;
- (5) Inserting an appropriation for the hiring of Department of Agriculture staff to assist in the registration of industrial hemp growers and seed testing; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Agriculture, Land Use Research Foundation of Hawaii, Hawaii Farm Bureau, Hawaii Farmers Union United, Pacific Biodiesel Technologies, and forty-one individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from the Medicinal Hemp Association.

Your Committee finds that the Hawaii livestock industry consistently identifies the cost of feed as the most expensive component in operational costs. The Department of Agriculture is committed to reducing the cost of production for the State's livestock and aquaculture industries by reducing the cost of feed. Your Committee further finds that Hawaii has the potential ingredients for the development and production of local feedstock, and the Department of Agriculture has initiated a feed development process to identify, assess, and validate available local feed ingredients. Your Committee further finds that support for feed mills is the number one priority of this measure, followed by support of industrial hemp cultivation, and lastly support of feed developers and then feed producers.

Your Committee also finds that industrial hemp may be a beneficial ingredient in livestock feed. Hemp has a superior fatty acid profile of omega-3 and omega-6 fatty acids that makes for healthier and better tasting beef and poultry. Modern production methods have utilized hemp oilseed to make high-grade food and beauty products and the hemp stalk fiber and cellulose to make everything from automotive parts and fine clothing to building materials and fuel. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products in the United States have grown steadily since 1990 to more than \$580,000,000 annually in 2013. Additionally, the intermediate processing of hemp seed, oil, food ingredients, and fiber could create jobs in close proximity to the fields of cultivation.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Reinserting the appropriation to reimburse qualified producers of certain products for their cost of feed;
- (2) Inserting language in section 2 that caps the qualified feed developer grant at \$500,000 in the aggregate per year;
- (3) Inserting language in section 3 to include in the definition of "qualified feed developer" any person that is in the business of researching feed for qualified producers;
- (4) Inserting language in section 8 that requires the application for registration for industrial hemp cultivation to include a seed development plan with a detailed description of the proposed research to be conducted;
- (5) Inserting a definition of "variety" to mean a group or individual plants that exhibit the same observable physical characteristics or have the same genetic composition;
- (6) Amending the definition of "seed development plan" to include the breeder's planned research approach and expected results; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 508, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 508, H.D. 1, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Wakai).

SCRep. 1141 Tourism and International Affairs on H.B. No. 775

The purpose and intent of this measure is to appropriate funds to the Department of Business, Economic Development, and Tourism to market Hawaii and Hawaii's higher education institutions to international students.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawaii; Chamber of Commerce Hawaii; Study Hawaii Educational Consortium; Hawaii Pacific University; and five individuals.

Your Committee finds that there is a growing trend in education of international study and educational travel. Hawaii's unique history, optimal geographic placement between the United States and Asia, and globally ranked programs of higher education have all served as factors in establishing Hawaii in the forefront of choice destinations for international students. Your Committee further finds that increased recruitment strategies and carefully structured future programs encouraging international students to attend school in Hawaii are necessary to keep Hawaii's reputation as a place of beauty and education.

Your Committee has amended this measure by inserting an effective date of July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 775, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 775, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

SCRep. 1142 (Majority) Judiciary and Labor on H.B. No. 391

The purpose and intent of this measure is to amend the prevailing wage law to allow for payment of overtime on public works projects in excess of time and a half. This measure also authorizes overtime rates in prevailing collective bargaining agreements to apply to the wage rate schedule and thereby provide a level playing field between union and non-union contractors.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Hawaii Construction Alliance. Your Committee received comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that this measure would have the practical effect of setting the floor for overtime pay on public works projects at time and a half. This measure also recognizes situations in which an overtime rate greater than time and a half may have been collectively bargained for.

Your Committee has amended this measure by:

- (1) Clarifying that a prevailing wage may be "defined by" rather than "subject to" a collective bargaining agreement; and
- (2) Clarifying that a basic hourly rate can be established "by" rather than "in" a collective bargaining agreement.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 391, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 391, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Thielen). Excused, 1 (Slom).

SCRep. 1143 Judiciary and Labor on H.B. No. 1497

The purpose and intent of this measure is to:

- (1) Require employers to maintain a record of their physical address and North American Industry Classification System code; and
- (2) Require professional employer organizations to provide to the Department of Labor and Industrial Relations the physical address, North American Industry Classification System code, and number of employees of each client company.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received testimony in opposition to this measure from Altres.

Your Committee finds that federal funding levels for the Department of Labor and Industrial Relations are in jeopardy due to the lack of accurate data regarding employing units. This measure would allow the Department of Labor and Industrial Relations to gather accurate data regarding employers and protect federal funding levels.

Your Committee has amended this measure by:

- (1) Adding a new section to chapter 373L, Hawaii Revised Statutes, to require client companies to disclose their physical address and North American Industry Classification System code to a professional employer organization and to update that information quarterly;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1497, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1497, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1144 Judiciary and Labor on H.B. No. 1356

The purpose and intent of this measure is to:

- (1) Establish the rate stabilization reserve fund to stabilize the Hawaii employer-union health benefits trust fund (EUTF) when there are insufficient funds to cover the costs of providing benefits to employee-beneficiaries and dependent-beneficiaries; and
- (2) Cap employer contributions to the other post-employment benefits (OPEB) trust fund when the separate accounts for each public employer within the OPEB trust fund have an aggregate balance of at least \$2,000,000,000.

Your Committee received testimony in support of this measure from the Chinatown Business & Community Association, Outrigger Enterprises Group, and twenty-two individuals. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance and University of Hawaii Professional Assembly. Your Committee received comments on this measure from the Tax Foundation of Hawaii and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that this measure seeks to address the issue of the unfunded liability of the EUTF. Your Committee believes that this measure should move forward for further consideration by the Committee on Ways and Means.

Your Committee has amended this measure by:

- (1) Removing a substantial portion of section 1;
- (2) At the request of the EUTF Board, inserting language from S.B. No. 1085 (Regular Session of 2015), which would remove restrictions on the EUTF Board's ability to invest monies and allow it to invest monies consistent with what the Employees' Retirement System is authorized to do;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1356, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1356, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1145 Judiciary and Labor on H.B. No. 676

The purpose and intent of this measure is to:

- (1) Authorize the Chair of the State Public Charter School Commission to vote on collective bargaining agreements for bargaining units (5) and (6); and
- (2) Amend the votes pertaining to collective bargaining agreements for bargaining unit (9), by providing that the Governor shall have three votes, Hawaii Health Systems Corporation shall have two votes, and the Chief Justice shall have one vote.

Your Committee received testimony in support of this measure from the Hawaii Charter School Commission, Hawaii Health Systems Corporation, Hawaii Health Systems Corporation – East Hawaii Region, and Hawaii Public Charter Schools Network. Your Committee received testimony in opposition to this measure from the Department of Education and Hawaii State Teachers Association. Your Committee received comments on this measure from the Office of Collective Bargaining.

Your Committee finds that employees of public charter schools may have specific issues and circumstances that are unique from employees of other public schools. There is currently no formal mechanism in place to ensure that public charter schools are represented in collective bargaining negotiations. This measure would allow for public charter school employees in bargaining units (5) and (6) to be represented in negotiations. This measure also allows bargaining unit (9), which consists almost entirely of Hawaii Health Systems Corporation nurses, to be better represented in negotiations of their collectively bargained agreement.

Your Committee has amended this measure by:

- (1) Deleting the language that would have amended the negotiating parties and vote allocations for bargaining units (5) and (6); and
- (2) Changing the effective date to January 7, 2059.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 676, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 676, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1146 Human Services and Housing on H.B. No. 734

The purpose and intent of this measure is to:

- (1) Establish the housing first voucher program within the Department of Human Services; and
- (2) Appropriate general funds to the housing first special fund to implement the program.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association, Chamber of Commerce Hawaii, The Queen's Health Systems, PHOCUSED, and four individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that the housing first program has proven its success in many states as a way to more effectively address the chronically homeless. These homeless are often the most visible homeless, living in our neighborhoods, doorways, and under bridges. These persons experience homelessness over a long period of time and incur very significant public costs. Housing first assists them to gain permanent housing then provides the services needed to keep them in housing and successfully transition off the streets.

Your Committee has amended this measure by deleting its contents and inserting language that:

- (1) Defines "housing first program rental assistance payments";
- (2) Allows the Hawaii Housing Finance and Development Corporation to make housing first rental assistance payments from sums made available from the Department of Human Services through the housing first program;
- (3) Authorizes the Department of Human Services to contract with housing first consultants and the Hawaii Housing Finance and Development Corporation to effectuate the housing first program;
- (4) Amends the definition of "chronically homeless individual" to mean an individual who has experienced homelessness for one year or longer, or who has experienced at least four episodes of homelessness in the last three years and has a disability; and
- (5) Includes an effective date of July 1, 2050.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 734, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 734, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1147 (Majority) Judiciary and Labor on H.B. No. 968

The purpose and intent of this measure is to:

- (1) Create a conclusive presumption that a taxpayer is liable for any amounts passed on to consumers for any tax authorized by title 14, Hawaii Revised Statutes, unless returned to the consumer;
- (2) Require the Department of Taxation to adopt rules stating the maximum rates at which taxes may be passed on;
- (3) Assess a civil penalty of up to \$500 per violation for passing on a tax at a rate higher than the maximum rates at which taxes may be passed on; and
- (4) Require the Department of Taxation to notify the Department of Commerce and Consumer Affairs of the commencement of any judicial appeal in which the taxpayer passed on a tax and failed to remit those amounts to the State in a timely manner or was assessed a civil penalty for passing on a tax at a rate higher than the maximum rates at which taxes may be passed on.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii, Hawaii Society of Certified Public Accountants, and two individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that according to the Department of Taxation, there have been many instances where taxpayers openly passed on to consumers Hawaii taxes, such as the general excise and transient accommodations taxes, but did not remit those amounts to the State. Existing law allows the Office of Consumer Protection or the consumers to take legal action against businesses that collect more for taxes than are due to the State. However, aside from learning of these violations from consumer-related or consumer-generated actions, the State cannot recover the total collected for taxes or require the taxpayer to return the overpayment to consumers because the Department of Taxation is not authorized to disclose confidential taxpayer information. This measure will assist the Department of Taxation with administering assessments and collections and will expedite the resolution of tax disputes.

Your Committee notes the concerns raised by the Tax Foundation of Hawaii that this measure could potentially pose more problems for the Department of Taxation and that this measure is unnecessary.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Department of Taxation that:
 - (A) Requires a taxpayer to be liable for the amount passed on when the amount is passed on and separately stated as the tax owed by the taxpayer for the transaction in a receipt, contract, invoice, billing, or other evidence of the business activity; and
 - (B) Specifies how adjustments are to be applied to any amounts passed on and separately stated as tax owed by the taxpayer;
- (2) Allowing, rather than requiring, the Department of Taxation to notify the Department of Commerce and Consumer Affairs of the commencement of any judicial appeal regarding the taxpayer failing to remit amounts to the State or the assessment of a civil penalty;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 968, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 968, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Shimabukuro). Noes, 1 (Slom). Excused, 3 (Espero, Ihara, Thielen).

SCRep. 1148 Education on H.B. No. 1352

The purpose and intent of this measure is to require a comprehensive financial, management, and program audit of the Department of Education to assist the Department, Board of Education, Legislature, and executive branch in identifying and addressing any issues necessary to improve the operations of the Department.

Your Committee received testimony in support of this measure from the Maui Chamber of Commerce and three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education has grown to be an expansive agency with program costs that account for over fifteen percent of the executive branch's program costs. Considering the volume of funds entering the Department of Education, a comprehensive audit is warranted to help the Department understand how it might reorganize, eliminate redundancies, consolidate programs, or otherwise manage funds more effectively. A thorough audit with quality recommendations, if properly implemented, will yield a more efficient Department of Education which will, in turn, provide value to the State and the taxpayers.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1352, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Chun Oakland, Harimoto, Nishihara). Noes, none. Excused, 2 (Keith-Agaran, Kouchi).

SCRep. 1149 Human Services and Housing on H.B. No. 1236

The purpose and intent of this measure is to encourage individuals with disabilities to gain employment and improve their employment opportunities through expanding their access to Medicaid by:

- (1) Establishing a Medicaid buy-in program within the Department of Human Services that will be implemented by July 1, 2018;
- (2) Establishing and appropriating funds for a Medicaid buy-in pilot program within the Department of Health that will be implemented by July 1, 2016, and terminated on June 30, 2018; and
- (3) Appropriating funds to the University of Hawaii Center on Disability Studies to prepare and conduct outreach and training relating to the Medicaid buy-in program for workers with disabilities.

Your Committee received testimony in support of this measure from the Department of Health, State Council on Developmental Disabilities, Lanakila Pacific, Disability and Communication Access Board, and seven individuals. Your Committee received comments on this measure from the Department of Human Services and Hawaii Disability Rights Center.

Your Committee finds that a significant portion of Hawaii's population receives federal or state benefits because of disabling conditions. Your Committee further finds that current state programs and policies, including state-designed Medicaid waiver programs, create disincentives for persons with disabilities to become employed, maintain employment, or increase their employment income. In 2012, a joint legislative task force was formed to explore the possibility of implementing a Medicaid buy-in program for individuals with disabilities who are not working or would like to earn more income, based upon Hawaii's Medicaid income and asset limits. Your Committee recognizes that encouraging individuals to gain and improve employment promotes fulfilling lives for individuals with disabilities and also promotes economic development.

Your Committee learned through testimony that establishing a working disabled adults eligibility group can be implemented more quickly and less expensively than a full-fledged Medicaid buy-in program, and that creating a pilot program would gather helpful information about this population. Accordingly, your Committee finds that establishing a two-part approach to assisting workers with disabilities is the best way to begin providing assistance to individuals with disabilities in the immediate future while working toward establishing a permanent Medicaid buy-in program in the future. The Department of Human Services is encouraged to work with the Medicaid buy-in task force on an ongoing basis to establish and evaluate the working disabled adults pilot program and the Medicaid buy-in program for workers with disabilities.

Your Committee has amended this measure by:

- (1) Inserting language to establish a two-year working disabled adults pilot program within the Department of Human Services to expand Medicaid eligibility for workers with disabilities, not require any payment by the working disabled adult, and disregard earned income in an amount determined by the Department but not less than \$1,000 per month;
- (2) Inserting an appropriation amount of \$730,000 to the Department of Human Services for the working disabled adults pilot program;
- (3) Eliminating the provision establishing an implementation date for the Medicaid buy-in program;
- (4) Eliminating the language establishing and appropriating funds for a Department of Health Medicaid buy-in pilot program;
- (5) Eliminating the appropriation to the University of Hawaii Center on Disability Studies and replacing it with language encouraging the Department of Human Services to collaborate with the Hawaii Center on Disability Studies for outreach, technical assistance, and evaluation;

- (6) Inserting an effective date of July 1, 2015, for the working disabled adults pilot program; provided that the pilot program will be repealed on June 30, 2017;
- (7) Inserting an effective date of July 1, 2017, for the Medicaid buy-in program; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1236, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1236, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1150 (Joint) Human Services and Housing and Health on H.B. No. 859

The purpose and intent of this measure is to make accessible to the public information about vacancies in state-licensed care facilities by:

- (1) Authorizing the Department of Health to maintain a forum on its website where specified state-licensed care facilities may post vacancy information;
- (2) Requiring the Department of Health to convene a working group to discuss and provide feedback on the implementation and maintenance of the forum and posting of vacancy information; and
- (3) Appropriating funds to carry out the purposes of this measure.

Your Committees received testimony in support of this measure from the Alliance of Residential Care Administrators, Big Island Adult Foster Home Operators, and three individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that patients in need of care have the right to information about state-licensed care facilities so that patients can determine which facility best meets their individual needs. Your Committees further find that it would be beneficial to make information about state-licensed care facilities more transparent and available to the public so that individuals in need of care can obtain information about placement options and availability themselves instead of relying on information provided by discharge planners in hospitals or other professionals who may not consider each patient's unique circumstances.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 859, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 859, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

Health
Ayes, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 1151 (Joint) Health and Human Services and Housing on H.B. No. 943

The purpose and intent of this measure is to establish the civil monetary penalty special fund for the deposit of monies from federal fines assessed against skilled nursing facilities and home health agencies during inspections conducted by the Department of Health on behalf of the United States Centers for Medicare and Medicaid Services.

Your Committees received testimony in support of this measure from the Department of Health.

Your Committees find that from time to time, the Office of Health Care Assurance issues federal deficiency citations on skilled nursing facilities that rise to the level of requiring a federal civil monetary penalty. If the United States Centers for Medicare and Medicaid Services assesses and collects the fine from the health care facility, a portion of the fine is shared with the Office of Health Care Assurance. Furthermore, because these monies come from a source other than state fines and fees and the monies must be used only for United States Centers for Medicare and Medicaid Services approved activities, there is a need to create a special fund to allow the Department of Health to deposit and expend these federal monies for appropriate services.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 943, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 943, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 6. Noes, none. Excused, 1 (Slom).

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 1152 Higher Education and the Arts on H.B. No. 540

The purpose and intent of this measure is to:

- (1) Extend sunset provisions with respect to accounting and fiscal management requirements relating to the University of Hawaii;
- (2) Require the Auditor to study whether the sunset provisions should be permanently repealed; and
- (3) Require quarterly variance reports for revenues and expenditures.

Your Committee received testimony in support of this measure from the University of Hawaii System. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the University of Hawaii has maintained a separate accounting system since 1986, which has been compatible with both Hawaii accounting system requirements and generally accepted accounting principles.

Your Committee further finds that the University of Hawaii has recently upgraded its accounting system through its participation in the Kualii financial system consortium, a university-based financial management software that better meets the unique needs of university systems throughout the United States.

Your Committee further finds that while the substantive content of this measure relates to the University of Hawaii's authority over its account, there are technical and nontechnical amendments in the measure as it is currently drafted that make reference to, and thereby directly affect, the Department of Education. More specifically, these amendments would repeal language authorizing the Department of Education to maintain authority over matters related to the purchase of goods and services, pre-audit payments, and accounting.

Your Committee has amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Deleting the requirement that the Board of Regents of the University of Hawaii submit quarterly program performance reports to the Legislature;
- (3) Extending the sunset provisions with respect to the accounting and fiscal management requirements for the University of Hawaii from June 30, 2017, to June 30, 2019;
- (4) Reinstating language relating to the Department of Education's authority to maintain a separate accounting system;
- (5) Reinstating language relating to the Comptroller's authority to request information from the Department of Education to prepare statements of income and expenditure of funds;
- (6) Reinstating language making the Department of Education subject to uniform business and accounting forms of statewide use;
- (7) Reinserting language permitting the Department of Education to prescribe the form of assignment of monies and to approve the assignment within a reasonable time period if the rights or obligations of the Department of Education will not be prejudiced;
- (8) Reinserting language requiring the Department of Education to report to the Comptroller all transactions for each quarterly period no later than the fifteenth day following the end of each quarterly period on forms and under rules as the Comptroller may prescribe;
- (9) Amending relevant session laws to prevent necessary statutory language from being repealed under current sunset provisions;
- (10) Inserting an effective date of June 29, 2015; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 540, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 540, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Wakai, Slom).

SCRep. 1153 Higher Education and the Arts on H.B. No. 545

The purpose and intent of this measure is to:

- (1) Establish the University of Hawaii quasi-endowment trust fund;
- (2) Repeal and reclassify various non-general funds and accounts of the University of Hawaii and transfer the unencumbered balances to the general fund; and
- (3) Make conforming amendments.

Your Committee received testimony in support of this measure from the Office of the Auditor and University of Hawaii System. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that particular funds of the University of Hawaii no longer serve their respective intended purposes. In addition, many no longer meet the criteria for special funds and should be changed to revolving funds.

However, your Committee finds that this measure, if left unamended, would repeal some funds that still serve their purpose and meet the criteria for special funds.

Your Committee finds that the University of Hawaii community services special fund continues to provide public service programs, including noncredit educational programs in professional development, personal growth, and cultural enrichment, as well as cooperative extension and consultative services. In recent years, this fund has run a deficit, as noted by the Auditor; however, this deficit is due to an issue of annual transfers not being executed, rather than a fundamental insufficiency of revenues. To ensure the sustainability and continued provision of services under this fund and avoid a deficit, legislative action may be necessary to ensure the timely transfer of funds.

Your Committee further finds that the Hawaii medical education council was established in 2003 to address the needs of graduate medical education in Hawaii. This fund was specifically established to separate any funding received by the State or extramural funding that was solely designated to support graduate medical education in Hawaii. This special fund continues to serve this purpose.

Your Committee finds that the discoveries and inventions special fund supports innovation and research commercialization. This special fund is a major component of the University's strategic priorities in the Hawaii Innovation Initiative. Recently, the University of Hawaii has taken on a greater role in diversifying the State's economy by building a thriving innovation, research, and training enterprise.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language reclassifying the community colleges special fund as a revolving fund;
- (2) Deleting language repealing the following special funds:
 - (A) University of Hawaii community services special fund;
 - (B) Hawaii medical education special fund; and
 - (C) Discoveries and inventions special fund;
- (3) Deleting language repealing the University of Hawaii Okinawa program trust fund; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 545, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 545, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kahele).

SCRep. 1154 (Joint) Hawaiian Affairs and Education on H.B. No. 874

The purpose and intent of this measure is to require the Department of Education to collaborate with stakeholders in the Hawaiian language community to develop and implement annual assessments in the Hawaiian language for language arts, mathematics, and science for students in the ka papahana kaiapuni program.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Department of Education, State Public Charter School Commission, Aha Moku Advisory Committee, Ka Haka Ula O Keelikolani, Kamehameha Schools, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Aha Punana Leo, Ewa Puuloa Hawaiian Civic Club, King Kamehameha Hawaiian Civic Club, Association of Hawaiian Civic Clubs, Ke Kula O Nawahiokalaniopuu, Kalihi Palama Hawaiian Civic Club, Hawaii State Teachers Association, Hawaii Public Charter Schools Network, and twenty-eight individuals.

Your Committees find that this measure would provide the State's nationally-recognized and acclaimed Hawaiian language immersion schools and their students with a fair and meaningful opportunity to participate in national and state educational assessment programs. This measure would address the inequity resulting from assessment tests being tailored for English speaking students being given to students in the ka papahana kaiapuni program. Your Committees further note the testimony from the Hawaii State Teachers Association that the inequitable results of testing ka papahana kaiapuni students using an English based test should in no way be deemed an accurate reflection of the abilities of students, teachers, or schools.

Your Committees have amended this measure by deleting its contents and inserting language agreed upon by the Office of Hawaiian Affairs and the Department of Education, which:

- (1) Provides that the purpose of this measure is to require the Department of Education to develop annual non-translated assessments in the Hawaiian language for language arts, mathematics and science;
- (2) Specifically references the 2013 appropriation to the Department of Education to develop assessments in the Hawaiian language;

- (3) Requires the Department of Education to submit a preliminary and final report to the Legislature on the status of the development and administration of the non-translated assessments and the status of any federal compliance issues, including waivers sought from the United States Department of Education;
- (4) Appropriates funds to the Department of Education for the continued development and administration of annual non-translated assessments in the Hawaiian language; and
- (5) Makes this measure effective upon approval.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 874, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 874, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Inouye).

Education

Ayes, 6; Ayes with Reservations (Kidani). Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Kouchi).

SCRep. 1155 Hawaiian Affairs on H.B. No. 209

The purpose and intent of this measure is to appropriate funds for the operating costs of the Office of Hawaiian Affairs for fiscal years 2015-2016 and 2016-2017.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, REACH Out Hawaii, Association of Hawaiian Civic Clubs, Kalihi Palama Hawaiian Civic Club, and four individuals.

Your Committee finds that the Office of Hawaiian Affairs' programs serve Hawaii's people, environmental resources, and cultural assets. The Office of Hawaiian Affairs testified that it not only matches funds appropriated by the State, but that it is able to leverage funds appropriated by the State by a factor of four to one.

Your Committee has amended this measure by:

- (1) Increasing the appropriation amounts for the operating budget for beneficiary advocacy relating to housing, health, and income improvement to the amounts set forth in the Office of Hawaiian Affairs' original budget request;
- (2) Inserting proviso language with regard to the operating budget as related to housing and income improvement; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 209, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 209, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 1156 Water and Land on H.B. No. 483

The purpose and intent of this measure is to provide enhanced tools to better ensure compliance and monitoring of aquatic resource direct extraction activities within West Hawaii by establishing administrative inspection authority for vessels and catch containers of permitted fishers within the waters of West Hawaii and the premises of any wholesale outlet selling aquatic resources.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Aha Moku Advisory Committee, Hawaii Audubon Society, LOST FISH Coalition, and sixteen individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General and eight individuals. Your Committee received comments from the Department of Land and Natural Resources and one individual.

Your Committee finds that this measure would provide the Department of Land and Natural Resources with additional authority, within the West Hawaii regional fishery management area, to conduct administrative inspections of the bags, containers, vehicles, or conveyances of commercial fishers and marine dealers to check for compliance with fishing laws and rules specific to the West Hawaii regional fishery management area.

Your Committee recognizes that there is still work to be done on this measure regarding issues brought up by the Department of the Attorney General and encourages further discussion as this measure moves along the legislative process.

Your Committee has amended this measure by deleting its contents and replacing them with language that:

- (1) Allows any agent of the Department of Land and Natural Resources upon whom the Board of Land and Natural Resources has conferred police powers, or who has otherwise been authorized to conduct administrative inspections within the West Hawaii Regional Fishing Management Area, to conduct examinations and inspections of bags and containers which may be used to hold live fish while the fishing vessel or boat is on the water, in a boat harbor or boat ramp, as well as of any motor vehicle in a boat harbor or boat ramp, that is used to transfer the catch of that fishing vessel or boat;
- (2) Prohibits any person to whom an aquarium collecting permit has been issued from permitting any other person to carry, display, or use the permit;

- (3) Requires that every person to whom an aquarium collecting permit has been issued to physically possess the permit when fishing and to show the permit upon the demand of any officer authorized to enforce the fishing laws of the State;
- (4) Requires every aquarium collecting vessel to be registered with the Department, clearly display required identification, and fly flags and meet any other requirements as provided by rules of the Department; and
- (5) Changes the effective date to January 1, 2016, to give the Department of Land and Natural Resources sufficient time to prepare to implement this measure.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 483, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 483, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1157 (Joint) Hawaiian Affairs and Public Safety, Intergovernmental and Military Affairs and Human Services and Housing on H.B. No. 142

The purpose and intent of this measure is to extend the sunset date of Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, that deal with affordable housing credits for affordable housing built on Hawaiian home lands.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands, Panaewa Hawaiian Home Lands Community Association, Land Use Research Foundation of Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Department of Planning and Permitting, and one individual.

Your Committees find that being able to request and receive affordable housing credits has afforded the Department of Hawaiian Home Lands greater opportunities to gain resources to develop homesteads and meet its mission. This measure would allow the Department of Hawaiian Home Lands to continue to be able to raise funding for its mission.

Your Committees have amended this measure by:

- (1) Deleting its contents and inserting language submitted by the Department of Hawaiian Home Lands making permanent Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012;
- (2) Inserting language to amend section 46-15.1, Hawaii Revised Statutes, regarding the criteria and procedures for the issuance of affordable housing credits by the counties to the Department of Hawaiian Home Lands by, among other things:
 - (A) Requiring that twenty-five percent of proceeds from the transfer of any affordable housing credits by the Department of Hawaiian Home Lands be used for the development of rental units; and
 - (B) Requiring that at least half of all affordable housing credits received by the Department of Hawaiian Home Lands be subject to a memorandum of agreement with the issuing county;
- (3) Inserting an effective date of June 29, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Public Safety, Intergovernmental and Military Affairs, and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 142, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Kahele).

Public Safety, Intergovernmental and Military Affairs

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 1158 Water and Land on H.B. No. 1099

The purpose and intent of this measure is to add a narrow exemption from the outdoor advertising law for the Waipio peninsula soccer stadium, similar to the exceptions for Aloha Stadium and the University of Hawaii stadiums, on condition that the outdoor advertising device is not visible from any thoroughfare.

Your Committee received testimony in support of this measure from the Outrigger Hotels & Resorts. Your Committee received testimony in opposition to this measure from The Outdoor Circle and one individual.

Your Committee finds that the University of Hawaii's Rainbow Wahine soccer team currently plays at the Waipio peninsula soccer stadium. Your Committee also finds that the scoreboard at the stadium was found to be non-conforming by the National Collegiate Athletic Association. This measure would ensure that the University of Hawaii's Rainbow Wahine soccer team has access to a scoreboard that is compliant with National Collegiate Athletic Association requirements by authorizing a specific, limited outdoor advertising device that would allow for timely replacement of the non-conforming scoreboard.

Your Committee has amended this measure by:

- (1) Specifying limitations on the size and placement of the outdoor advertising device at the Waipio peninsula soccer stadium; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1099, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1099, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1159 Government Operations on H.B. No. 1180

The purpose and intent of this measure is to help procurement officers, before awarding a contract, identify contractors that habitually perform poorly for the purpose of ensuring that the public receives a completed project that is delivered on time, on budget, and of acceptable quality.

Your Committee received testimony in support of this measure from the Hawaii Construction Alliance and Hawaii Regional Council of Carpenters. Your Committee received testimony in opposition to this measure from the State Procurement Office. Your Committee received comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that it is essential for procurement officers to be aware of those contractors that have rendered inadequate performance on public works contracts or construction contracts. Procurement officers that are made aware of inadequate performers can use the information to the benefit of the State and counties when awarding contracts. This information would not only help procurement officers make more informed decisions, it may also move contractors to provide higher quality performance in an effort to maintain their standing within the public contracting community.

Your Committee notes that although the State Procurement Office opposed this measure in its original form, the Office presented testimony on its concerns and offered amendments to this measure which have been incorporated.

Your Committee has amended this measure by:

- (1) Adding language to require the Administrator of the State Procurement Office to establish a database of meaningful statewide procurement contract data to be made accessible to each governmental entity, with selective non-confidential data to be made accessible to the general public to further transparency and accountability, as determined appropriate by the Administrator;
- (2) Adding language to transfer authority for the compliance audit unit from the Auditor to the State Procurement Office;
- (3) Adding language authorizing the compliance audit unit to conduct audits and have authority to access statewide public contract information;
- (4) Adding language establishing a task force to define past performance, create criteria for adverse performance, and develop associated rules and process required for statewide implementation;
- (5) Adding an appropriation for the compliance audit unit to establish a procurement database;
- (6) Adding an appropriation to fund the operations and maintenance of the procurement database;
- (7) Adding an appropriation to fund the staffing and operation of the compliance audit unit;
- (8) Adding language establishing a process for special innovative procurement;
- (9) Adding language requiring the Procurement Policy Board to draft rules for special innovative procurements, including but not limited to rules regarding public-private partnerships;
- (10) Adding an appropriation for a temporary position within the Department of Accounting and General Services, not to exceed two years, with duties to include but not be limited to assisting the Procurement Policy Board in the research and development of special innovative procurements and public-private partnership rules; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1180, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1180, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1160 (Joint/Majority) Higher Education and the Arts and Energy and Environment on H.B. No. 1509

The purpose and intent of this measure is to:

- (1) Require the University of Hawaii to establish a collective goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Establish the University of Hawaii net-zero special fund; and
- (3) Appropriate funds for capital improvement projects and staff.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawaii System; and two individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that this measure establishes, and appropriates an initial amount of general funds for, the University of Hawaii net-zero special fund. This special fund supports the net-zero energy efficiency and deferred maintenance projects within the University of Hawaii System. Further, this measure provides that any debt service incurred by the University for these projects shall not exceed the University administration's projected energy savings.

However, your Committees note that there is a troubling paucity of discussion concerning the source of additional funding, which highlights the significant struggle the University of Hawaii System faces to "get with the (energy efficiency) program" in a timely manner.

Your Committees additionally find that the current design and performance standards of many buildings and facilities on all the University campuses, particularly the Manoa and Hilo campuses, are currently below the energy efficiency and general performance standards set by earlier administrations. There is a noticeable lack of evidence demonstrating that these standards set in this measure will be met upon the infusion of capital from a limited legislative budget.

Your Committees have amended this measure by:

- (1) Amending the purpose section to more clearly articulate its purpose and intent;
- (2) Deleting language stating that appropriations from the Legislature shall be deposited into the University of Hawaii net-zero special fund;
- (3) Deleting the appropriation for the plans, design, construction, and equipment for the retrofit of the learning resources center and central plant at the University of Hawaii at Hilo;
- (4) Deleting the appropriation for the plans, design, construction, and equipment for the retrofit of the university classroom building at the University of Hawaii at Hilo;
- (5) Deleting the appropriation for two positions within the University of Hawaii System to provide the necessary financial, technical, and other support for advance the collective goal of becoming net-zero with respect to energy use;
- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1509, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1509, H.D. 3, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair and Vice President on behalf of the Committees.

Higher Education and the Arts

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Kahele, Wakai).

Energy and Environment

Ayes, 4; Ayes with Reservations (Galuteria). Noes, 1 (Slom). Excused, none.

SCRep. 1161 Economic Development and Technology on H.B. No. 1167

The purpose and intent of this measure is to amend the maximum capital infrastructure tax credit by:

- (1) Expanding the expenditures that constitute claimable capital infrastructure costs;
- (2) Amending which infrastructure tenants qualify for the tax credit;
- (3) Changing the maximum amount of the tax credit allowed per taxable year to an unspecified amount per qualified infrastructure tenant, rather than \$2,500,000 in capital infrastructure costs; and
- (4) Setting an unspecified cap on the amount of capital infrastructure costs above which excess costs may be applied to subsequent taxable years.

Your Committee received testimony in support of this measure from the Department of Transportation; Robert's Hawaii, Inc.; Chamber of Commerce Hawaii; Pacific Shipyards International; Pacific Marine; Navatek, Ltd.; and forty-six individuals. Your Committee received testimony in opposition to this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure will provide a tax credit for capital infrastructure investments made by tenants being displaced by the Kapalama Military Reservation Harbor improvements for the container ship companies. Specifically, this measure will provide maritime and waterfront dependent businesses with the opportunity to attract funding for necessary harbor infrastructure improvements at a new location.

Your Committee further finds that this measure will additionally benefit the State by ensuring that the new infrastructure improvements made to the harbor-based property will be owned by the Harbors Division at the end of the lease term, permitting harbor tenants to pay lease rent to the Harbors Division on the new areas being improved under this infrastructure credit, and providing immediate funding for infrastructure improvement.

Your Committee has amended this measure by deleting the contents of this measure and replacing them with language that:

- (1) Specifies the maximum amount of capital infrastructure tax credits that may be issued in any taxable year is \$2,500,000 per qualified infrastructure tenant;
- (2) Allows any capital infrastructure costs that would result in a tax credit in excess of \$2,500,000 to be applied to subsequent taxable years;
- (3) Requires a qualified infrastructure tenant to expend \$40,000,000 within a taxable year before being eligible for the tax credit;
- (4) Prohibits the generation of credits after December 31, 2019;
- (5) Provides that the tax credit shall be recaptured if the qualified infrastructure tenant fails to relocate within an unspecified amount of time following the execution of a lease with the Department of Transportation;
- (6) Requires taxpayers claiming the tax credit to submit certain information to the Legislature; and
- (7) Makes the measure effective on July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1167, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1167, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1162 (Joint) Economic Development and Technology and Energy and Environment on H.B. No. 1296

The purpose and intent of this measure is to:

- (1) Designate the State Hydrogen Implementation Coordinator;
- (2) Require the hydrogen investment capital special fund to be used to provide funding for the implementation of hydrogen infrastructure; and
- (3) Establish the hydrogen implementation working group.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; Hawaii Strategic Development Corporation; Servco Pacific Inc.; General Motors LLC; Hawaii Energy Policy Forum of the University of Hawaii College of Social Sciences; Hawaiian Electric Vehicle Network; Hawaii Clean Energy Foundation; Alliance of Automobile Manufacturers; and Hawaii Automobile Dealers Association. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that this measure designates the Director of the Hawaii Center for Advanced Transportation Technologies (HCATT), within the High Technology Development Corporation, to serve as the State Hydrogen Implementation Coordinator, who will convene a working group to facilitate implementation of hydrogen infrastructure. This measure directs this coordinator to facilitate the establishment of infrastructure and policies throughout state agencies to promote the expansion of hydrogen-based energy in Hawaii.

Your Committees further find that this measure promotes the reduction of the State's reliance on imported fossil fuel, greenhouse gas emissions, and air pollution and provides clear energy transportation options for the State. Additionally, this measure highlights the importance of hydrogen as a key element in the design of electric vehicles, the mechanisms of energy storage, and its value in reducing carbon footprints.

Your Committees have amended this measure by:

- (1) Removing the amendments to section 211F-5.7, Hawaii Revised Statutes, that would have provided funding for the implementation of hydrogen infrastructure, in order to encourage further discussion on the hydrogen implementation working group's projected spending and future goals;
- (2) Extending the date on which the working group dissolves to July 1, 2030, to match the defective date of the measure for the purpose of consistency; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Technology and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1296, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1296, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair and President on behalf of the Committees.

Economic Development and Technology

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Espero, Harimoto).

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 1163 Economic Development and Technology on H.B. No. 1069

The purpose and intent of this measure is to:

- (1) Authorize the High Technology Development Corporation to provide grants to businesses with a federal small business innovation research phase II or III award; and
- (2) Appropriate funds to carry out the purposes of this measure.

Your Committee received testimony in support of this measure from the High Technology Development Corporation; Chamber of Commerce Hawaii; Oceanit Laboratories, Inc.; Maui Chamber of Commerce; Makai Ocean Engineering; and one individual.

Your Committee finds that the Hawaii small business innovation research program has successfully helped many Hawaii businesses win coveted federal funding through the federal small business innovation research program while additionally helping many small businesses further develop their intellectual property. This measure expands the Hawaii small business innovation research program to provide a match for phase II and phase III awardees to diversify Hawaii's economy. This measure additionally secures the investment of millions of dollars into the state economy and provides a framework for young people to create their own high tech companies as part of the State's plan to establish an innovation economy in Hawaii.

Your Committee further finds that there is a great need for Hawaii to develop and support manufacturing in the State. Hawaii imports ninety percent of products consumed annually throughout the islands. Your Committee believes that support for the manufacturing industry in the State can be provided through implementation of a grant program for manufacturing companies.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to establish a manufacturing capital grant program, to be administered by the High Technology Development Corporation through a program administrator, to provide grants to Hawaii-based companies that relate to:
 - (A) Purchasing of manufacturing equipment;
 - (B) Training programs for employees on the proper and safe methods of operating relevant manufacturing equipment;
 - (C) Improving business practices involving the use of existing manufacturing equipment or purchase of improved energy efficiency equipment involved in the manufacturing process; or
 - (D) Studying or planning the implementation of a new manufacturing facility.
- (2) Inserting language to cap each grant that may be received by a company under the program at twenty percent of costs, up to \$100,000 in any given year;
- (3) Inserting language requiring the High Technology Development Corporation to report to the Legislature no later than twenty days prior to the convening of the regular session held in every even-numbered year on the number of grants provided, the sectors and businesses provided with grants, and economic and financial growth related to the administration and provision of grants under this program;
- (4) Inserting language appropriating funds for the establishment and operation of the program; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1069, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1069, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1164 Government Operations on Gov. Msg. No. 539

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

G.M. No. 539 AUDREY HIDANO, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement, resume, and work experiences of the nominee and finds Audrey Hidano to possess the requisite qualifications to be nominated as the Deputy Director of the Department of Accounting and General Services.

Your Committee received testimony in support of Audrey Hidano from Governor David Y. Ige; Department of Budget and Finance; Department of Health; Department of Taxation; Department of Transportation; Department of Business, Economic Development, and Tourism; State Procurement Office; University of Hawaii System; Department of Commerce and Consumer Affairs; Office of Information Management and Technology; Department of Labor and Industrial Relations Wage Standards Division; Stadium Authority; Hawaii Procurement Institute; Hawaii Medical Service Association; General Contractors Association of Hawaii; Hawaii Laborers-Employers Cooperation and Education Trust; Chamber of Commerce Hawaii; Building Industry Association Hawaii; Hawaii Construction Alliance; Subcontractors Association of Hawaii; Royal Contracting Co., Ltd.; American Piping & Boiler Co.; Koga Engineering & Construction, Inc.; Ralph S. Inouye Co., Ltd.; CO-HA Builders, Inc.; Sen Plex Corp.; Graham Builders; RMA Sales; Alan Shintani, Inc.; and sixteen individuals.

Audrey Hidano currently serves as Deputy Director of the Department of Transportation. 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 a career

in the private sector as a co-founder of Hidano Construction, Inc., in 1974. She continues to serve as the secretary and treasurer of Hidano Construction, Inc., and is also the 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 and development industry. Ms. Hidano currently serves as an employer trustee with the Hawaii Employer-Union Benefits Trust Fund, was the president of the Building Industry Association of Hawaii in 1999 and 2000, and served a five-month appointment on the Honolulu City Council in 1994. The nominee also has extensive community ties, having served as a board member of the City and County of Honolulu Neighborhood Board #12 since 1989 and serving as a current board member of the Nuuanu YMCA.

Your Committee believes that the nominee possesses the qualifications to serve as the Deputy Director of the Department of Accounting and General Services. Ms. Hidano's background in the private and public sectors arm her with a wealth of experience to craft innovative solutions for the Department. Her experience in construction gives her a deep understanding of the industry and a wealth of industry contacts, which will be invaluable to her as she contributes to the leadership of a department charged with overseeing numerous state construction contracts. Testifiers commented on Ms. Hidano's sound judgment, dedication, honesty, and solid work ethic. She is also noted as being tough but fair, forward thinking, and a good leader. These qualities will serve the nominee well as she works with personnel to make positive change within the Department.

Your Committee notes from the nominee's personal statement that she is fluent in construction contracting and is eager to apply that knowledge to her work with the Department. Her goal is to increase efficiency and improve systems to keep pace with the private sector. Ms. Hidano sees technology as the key to modernizing the Department and freeing personnel to devote their skills to the Department's mission rather than to administrative tasks. Training is another priority for Ms. Hidano who looks to professional development within the Department as a means for personnel retention and supplying high quality services to the State.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Ihara, Tokuda).

SCRep. 1165 Ways and Means on H.B. No. 126

The purpose and intent of this measure is to appropriate funds for the Hawaii Employer-Union Health Benefits Trust Fund costs and other cost adjustments for officers and employees of the Legislature and legislative agencies excluded from collective bargaining.

Specifically, this measure appropriates unspecified amounts to the:

- (1) State Ethics Commission;
- (2) Office of the Auditor;
- (3) Office of the Legislative Reference Bureau;
- (4) Office of the Ombudsman;
- (5) Senate; and
- (6) House of Representatives.

Your Committee received testimony in support of this measure from the Office of the Auditor, Legislative Reference Bureau, State Ethics Commission, and League of Women Voters of Hawaii.

Your Committee finds that the officers and employees of the Legislature and the legislative service agencies are excluded from collective bargaining. This measure provides a legislative vehicle to appropriate sufficient funds for the public employment cost items of and cost adjustments for those staff members.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 126, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 126, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1166 Ways and Means on H.B. No. 173

The purpose and intent of this measure is to adopt certain recommendations of the Auditor to repeal various non-general fund funds and accounts.

Specifically, the measure repeals and transfers the unencumbered balances of the following funds and accounts to the credit of the general fund:

- (1) Transportation Use Special Fund;
- (2) Amtrak Trust Account;
- (3) Hurricane Iniki Insurance Proceeds Special Fund; and

(4) Deposits-Plans and Specifications Trust Account.

Your Committee received testimony in support of this measure from the Office of the Auditor and the Department of Transportation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the funds and accounts addressed by this measure no longer serve the purpose for which they were created and any unencumbered balances remaining in those funds and accounts should lapse to the credit of the general fund.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 173, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 173, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1167 Tourism and International Affairs on S.R. No. 34

The purpose and intent of this measure is to commemorate the thirtieth anniversary of the sister-state relationship between Hawaii and the Guangdong province.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Hawaii established its first Chinese sister-state relationship with the Guangdong Province in 1985 and has since succeeded in maintaining a mutually beneficial, cooperative relationship of cultural and economic exchange and establishing the Guangdong Province Senior Executive Leadership Training Program at the University of Hawaii through these formal ties. Your Committee further finds that former Governor Linda Lingle visited the Guangdong Province to commemorate the twenty-fifth anniversary of the sister-state relationship and former Governor Abercrombie discussed plans to commemorate the thirtieth anniversary with Guangdong Province Governor Zhu Xiaodan in September of 2014.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 34, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 34, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Tokuda).

SCRep. 1168 (Joint) Tourism and International Affairs and Commerce and Consumer Protection on S.C.R. No. 158

The purpose and intent of this measure is to request that the Legislative Reference Bureau examine if and how other states regulate tour operators within their jurisdiction and report its findings to the Legislature.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources. Your Committees received comments on this measure from the Legislative Reference Bureau.

Your Committees find that Hawaii does not regulate the activities of tour and excursion groups soliciting residents and visitors. Your Committees further find that there has been a rise in tour activity in state parks and, within the last six months, at least three tour guides have been charged with engaging in illegal commercial activities by trespassing into natural reserve areas that are closed to public entry. Your Committees find that this activity not only poses a threat to the environment of the natural reserve areas but also endangers the health and safety of those persons touring closed areas.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Commerce and Consumer Protection that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 158 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

Commerce and Consumer Protection

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1169 Water and Land on S.C.R. No. 48

The purpose and intent of this measure is to request:

- (1) The Division of Aquatic Resources to strengthen administrative rules governing the protection of indigenous marine wildlife, particularly spinner dolphins, marine mammals, and sea turtles;
- (2) The Division of Aquatic Resources and Division of Conservation and Resources Enforcement to increase collaboration with federal partners on federal rules related to spinner dolphins, marine mammals, and sea turtles; and

- (3) The Division of Aquatic Resources and Division of Conservation and Resources Enforcement to continue to explore additional mechanisms to access federal and private funding for the protection of marine mammals and sea turtles.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that the Department of Land and Natural Resources administrative rules regarding marine indigenous wildlife, particularly spinner dolphins, marine mammals, and sea turtles, should be strengthened and updated to complement existing federal regulations. Your Committee further finds that the Department of Land and Natural Resources should consult with federal partner agencies to explore new measures that would expand upon existing measures to manage these indigenous wildlife, as there are a number of potential federal and private funding sources that could help improve management of these indigenous wildlife, especially given limited state resources.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 48 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Shimabukuro, Slom).

SCRep. 1170 Tourism and International Affairs on S.C.R. No. 74

The purpose and intent of this measure is to urge the Hawaii Tourism Authority to coordinate with trade organizations, including the Hawaii Lodging and Tourism Association, Hawaii Restaurant Association, Hawaii Visitors and Convention Bureau, Hawaii Transportation Association, and others in the hospitality industry to create a more welcoming environment for Chinese visitors.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority and one individual.

Your Committee finds that it is important for the State to diversify its visitor markets to offset weakness in one market by strength in another. Your Committee further finds that China is not the only market with increased visitor rates and that Other Asia tourism markets include China as well as Korea, Taiwan, Hong Kong, and Singapore. The ability for these international visitors to communicate with hospitality industry employees during their visit to Hawaii is key in ensuring their initial visit is a welcoming experience. Your Committee therefore finds that it is necessary to allow the hospitality industry to employ persons with cultural and communication skills that will enable the employees to interact with international visitors in order to promote and encourage tourism from Other Asia tourism markets and elsewhere.

Your Committee has amended this measure by:

- (1) Deleting provisions referencing Chinese visitors;
- (2) Inserting provisions referencing Other Asian tourism markets including China, Korea, Taiwan, Hong Kong, and Singapore;
- (3) Inserting provisions referencing the H-1B visa law;
- (4) Inserting language that urges the Hawaii Tourism Authority to coordinate with the hospitality industry, Corporation for Travel Promotion, and Hawaii's congressional delegation to seek amendments to the H-1B visa law to amend the definition of "specialized occupation" to include employees who are fluent in the languages of international visitors, with the cultural, reading, and writing skills necessary to communicate with international visitors;
- (5) Amending the title to reflect the amended intent of this measure; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 74, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 74, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Tokuda).

SCRep. 1171 Tourism and International Affairs on S.R. No. 35

The purpose and intent of this measure is to urge the Hawaii Tourism Authority to coordinate with trade organizations, including the Hawaii Lodging and Tourism Association, Hawaii Restaurant Association, Hawaii Visitors and Convention Bureau, Hawaii Transportation Association, and others in the hospitality industry to create a more welcoming environment for Chinese visitors.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority and one individual.

Your Committee finds that it is important for the State to diversify its visitor markets to offset weakness in one market by strength in another. Your Committee further finds that China is not the only market with increased visitor rates and that Other Asia tourism markets include China as well as Korea, Taiwan, Hong Kong, and Singapore. The ability for these international visitors to communicate with hospitality industry employees during their visit to Hawaii is key in ensuring their initial visit is a welcoming experience. Your Committee therefore finds that it is necessary to allow the hospitality industry to employ persons with cultural and communication skills that will enable the employees to interact with international visitors in order to promote and encourage tourism from Other Asia tourism markets and elsewhere.

Your Committee has amended this measure by:

- (1) Deleting provisions referencing Chinese visitors;
- (2) Inserting provisions referencing Other Asian tourism markets including China, Korea, Taiwan, Hong Kong, and Singapore;

- (3) Inserting provisions referencing the H-1B visa law;
- (4) Inserting language that urges the Hawaii Tourism Authority to coordinate with the hospitality industry, Corporation for Travel Promotion, and Hawaii's congressional delegation to seek amendments to the H-1B visa law to amend the definition of "specialized occupation" to include employees who are fluent in the languages of international visitors, with the cultural, reading, and writing skills necessary to communicate with international visitors;
- (5) Amending the title to reflect the amended intent of this measure; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 35, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 35, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Taniguchi, Tokuda).

SCRep. 1172 Economic Development and Technology on S.C.R. No. 162

The purpose and intent of this measure is to request a financial audit of information technology expenditures in the state executive branch.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services. Your Committee received comments on this measure from the Office of Information Management and Technology.

Your Committee notes that there are many electronic and technological resources available for government use and often without charge to the State. Despite the availability and accessibility of these resources, your Committee finds that there is an ongoing and unchecked spending on information technology goods and services among state departments and agencies. Your Committee finds that one cause of this ongoing spending is the decentralized structure of state information technology, which discourages implementation of cost-effective measures, such as consolidation of procurement efforts, leveraging economies of scale, and up-to-date transition to integrated systems. The most appropriate first step to resolving this spending is an audit of the information technology expenditures of the executive branch departments and attached agencies, excluding the Department of Education, University of Hawaii, and Office of Hawaiian Affairs.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 162 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1173 Economic Development and Technology on S.C.R. No. 77

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to prioritize the development of Kapolei into a job center in support of the State and the City and County of Honolulu's policies to develop Kapolei into Oahu's "secondary urban center".

Your Committee received testimony in support of this measure from the Office of Planning, Avalon Development, MK Kapolei Commons LLC, West Oahu Economic Development Association, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee recognizes there is potential for significant economic growth in Kapolei and further recognizes that the Department of Business, Economic Development, and Tourism is the appropriate entity to promote the development of Kapolei as the "second city". This development is necessary to ensure island-wide quality residential life and economic sustainability.

Specifically, your Committee notes the long-standing and widely expressed dissatisfaction of Oahu residents regarding daily commutes in Honolulu, including heavy traffic congestion. Successful resolution of these issues is possible through proactive state efforts to expand and diversify job opportunities, housing options, and overall urban life in the "second city".

Your Committee further notes that there are significant opportunities to expand employment opportunities in Kapolei, such as the potential for three thousand new jobs in the Kapolei Shopping Center. Further, there are existing residential housing structures available for development and immediate use. Additionally, the State owns valuable and extensive acreage in proximity to the University of Hawaii West Oahu rail transit station. Accordingly, there is a significant foundation in place for this development project.

However, your Committee is troubled by the ongoing lack of progress that the Department has made on the development of Kapolei, with the exception of the occasional capital improvement project. The Office of Planning, which is administratively attached to the Department of Business, Economic Development, and Tourism has taken the lead on this two-decade-long initiative. Your Committee notes that there have been administrative processes set up by the Office of Planning; however, there is a noticeable absence of viable plans or proposals to further the development of Kapolei. This measure supports the prioritization of the development of Kapolei into a job center within the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1174 (Joint) Agriculture and Hawaiian Affairs on S.R. No. 119

The purpose and intent of this measure is to request that federal and state agencies consult with Hawaii small scale farmers, Hawaii small scale producers, and affected parties on the offsetting of costs associated with the implementation of the Food Safety Modernization Act.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Land Use Research Foundation of Hawaii.

Your Committees find that the Food Safety Modernization Act was signed into law on January 4, 2011, and in January 2013, the Food and Drug Administration, without meaningful consultation with Hawaii small scale farmers, published Produce Safety and Preventive Control Rules to implement the Food Safety Modernization Act. Your Committees further find that many Hawaii small scale farmers are contractually obligated to farm or ranch the land they lease, making them particularly vulnerable to costs associated with conforming to the standards outlined in the Food Safety Modernization Act.

As affirmed by the records of votes of the members of your Committees on Agriculture and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 119 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Thielen, Wakai).

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 1175 (Joint) Agriculture and Hawaiian Affairs on S.C.R. No. 184

The purpose and intent of this measure is to request that federal and state agencies consult with Hawaii small scale farmers, Hawaii small scale producers, and affected parties on the offsetting of costs associated with the implementation of the Food Safety Modernization Act.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Land Use Research Foundation of Hawaii.

Your Committees find that the Food Safety Modernization Act was signed into law on January 4, 2011, and in January 2013, the Food and Drug Administration, without meaningful consultation with Hawaii small scale farmers, published Produce Safety and Preventive Control Rules to implement the Food Safety Modernization Act. Your Committees further find that many Hawaii small scale farmers are contractually obligated to farm or ranch the land they lease, making them particularly vulnerable to costs associated with conforming to the standards outlined in the Food Safety Modernization Act.

As affirmed by the records of votes of the members of your Committees on Agriculture and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 184 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Thielen, Wakai).

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

SCRep. 1176 Education on S.C.R. No. 185

The purpose and intent of this measure is to request the Department of Education to:

- (1) Work with the Department of Health, Department of Human Services, University of Hawaii, nonprofit organizations, and community-based organizations to identify out-of-school programs offered throughout the State, including programs listed in the Hawaii Community Foundation's "Analysis of the Fiscal Resources Supporting At-Risk Youth, Ages 13-24, in Hawaii" (February 2012), organize and coordinate out-of-school programs for kindergarten through twelfth grade, and identify funding opportunities for current and future Department of Education out-of-school programs;
- (2) Determine the cost of out-of-school programs for middle and intermediate schools and the cost of maintaining out-of-school programs for kindergarten through twelfth grade; and
- (3) Identify and acquire funding through federal funds dedicated to disadvantaged communities, grants, revenue-generating opportunities; and by determining user fees associated with out of school programs and to consider future dedicated funding streams through tobacco, cigarette, and alcohol tax increases.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Youth Services Network, and three individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that out-of-school programs provide structured care for children who may otherwise be home alone and susceptible to engaging in risky behaviors or other dangers. Hawaii is one of the most expensive states for child care, and the high prices coupled with high demand puts out-of-school care out of reach for many families. Expanding out-of-school programs offered

through the Department of Education will provide more affordable care solutions and help ensure Hawaii's children are in safe and nurturing environments in the after school hours.

Your Committee has amended this measure by adding language specifying that Hawaii's children continue to be the beneficiaries of the Department of Education's relationship with statewide child care providers and all out-of-school program providers and as such, information gathered about out-of-school programs would allow for better review and collaboration of all out-of-school programs.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 185, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 185, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1177 Education on S.R. No. 120

The purpose and intent of this measure is to request the Department of Education to:

- (1) Work with the Department of Health, Department of Human Services, University of Hawaii, nonprofit organizations, and community-based organizations to identify out-of-school programs offered throughout the State, including programs listed in the Hawaii Community Foundation's "Analysis of the Fiscal Resources Supporting At-Risk Youth, Ages 13-24, in Hawaii" (February 2012), organize and coordinate out-of-school programs for kindergarten through twelfth grade, and identify funding opportunities for current and future Department of Education out-of-school programs;
- (2) Determine the cost of out-of-school programs for middle and intermediate schools and the cost of maintaining out-of-school programs for kindergarten through twelfth grade; and
- (3) Identify and acquire funding through federal funds dedicated to disadvantaged communities, grants, revenue-generating opportunities; and by determining user fees associated with out of school programs and to consider future dedicated funding streams through tobacco, cigarette, and alcohol tax increases.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Youth Services Network, and three individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that out-of-school programs provide structured care for children who may otherwise be home alone and susceptible to engaging in risky behaviors or other dangers. Hawaii is one of the most expensive states for child care, and the high prices coupled with high demand puts out-of-school care out of reach for many families. Expanding out-of-school programs offered through the Department of Education will provide more affordable care solutions and help ensure Hawaii's children are in safe and nurturing environments in the after school hours.

Your Committee has amended this measure by adding language specifying that Hawaii's children continue to be the beneficiaries of the Department of Education's relationship with statewide child care providers and all out-of-school program providers and as such, information gathered about out-of-school programs would allow for better review and collaboration of all out-of-school programs.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 120, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 120, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1178 Education on S.C.R. No. 99

The purpose and intent of this measure is to request the Department of Education to allow teachers to use purchasing cards when purchasing school supplies and other related curriculum support supplies.

Your Committee received testimony in support of this measure from the State Procurement Office and Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that teachers are often responsible for acquiring certain supplies and supplemental instructional materials themselves. Allowing teachers to use purchasing cards, rather than purchase orders, is a more efficient way for teachers to acquire the supplies or supplemental instructional materials needed for their classrooms.

Your Committee has amended this measure by clarifying that the Department of Education is requested to:

- (1) Allow teachers to use purchasing cards or declining balance purchasing cards; and
- (2) Develop policies and procedures related to the use of purchasing cards or declining balance purchasing cards by teachers.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 99, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 99, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1179 Education on S.R. No. 53

The purpose and intent of this measure is to request the Department of Education to allow teachers to use purchasing cards when purchasing school supplies and other related curriculum support supplies.

Your Committee received testimony in support of this measure from the State Procurement Office and Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that teachers are often responsible for acquiring certain supplies and supplemental instructional materials themselves. Allowing teachers to use purchasing cards, rather than purchase orders, is a more efficient way for teachers to acquire the supplies or supplemental instructional materials needed for their classrooms.

Your Committee has amended this measure by clarifying that the Department of Education is requested to:

- (1) Allow teachers to use purchasing cards or declining balance purchasing cards; and
- (2) Develop policies and procedures related to the use of purchasing cards or declining balance purchasing cards by teachers.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 53, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 53, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1180 Education on S.C.R. No. 94

The purpose and intent of this measure is to request the Committee on Weights and Board of Education to consider the unique needs of remote schools when reevaluating the weighted student formula.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that remote schools are subject to unique circumstances that make them more expensive to operate, per pupil, compared to more populous schools. The per pupil funding that accommodates the needs of most schools leaves remote schools with fewer staff than necessary to provide sufficient high school level courses. Special funding considerations need to be made to ensure that remote schools are adequately staffed and capable of providing all the courses and services students need to graduate.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 94 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1181 Education on S.R. No. 48

The purpose and intent of this measure is to request the Committee on Weights and Board of Education to consider the unique needs of remote schools when reevaluating the weighted student formula.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that remote schools are subject to unique circumstances that make them more expensive to operate, per pupil, compared to more populous schools. The per pupil funding that accommodates the needs of most schools leaves remote schools with fewer staff than necessary to provide sufficient high school level courses. Special funding considerations need to be made to ensure that remote schools are adequately staffed and capable of providing all the courses and services students need to graduate.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 48 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1182 Education on S.C.R. No. 113

The purpose and intent of this measure is to request the Board of Education to televise or otherwise make available online its meetings.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, League of Women Voters, and three individuals.

Your Committee finds that despite being open to the public, many members of the public are unable to attend Board of Education meetings due to geography or employment commitments. It is appropriate to televise or otherwise provide access to video of Board meetings. Such access would result in a more informed populace, and may encourage more members of the community to provide testimony to the Board. Greater public involvement may also lead to more informed policy decisions, and an increased sense of connection among the Board, communities, and schools.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 113 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1183 Education on S.R. No. 64

The purpose and intent of this measure is to request the Board of Education to televise or otherwise make available online its meetings.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, League of Women Voters, and three individuals.

Your Committee finds that despite being open to the public, many members of the public are unable to attend Board of Education meetings due to geography or employment commitments. It is appropriate to televise or otherwise provide access to video of Board meetings. Such access would result in a more informed populace, and may encourage more members of the community to provide testimony to the Board. Greater public involvement may also lead to more informed policy decisions, and an increased sense of connection among the Board, communities, and schools.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 64 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1184 Education on S.C.R. No. 110

The purpose and intent of this measure is to request the Board of Education to:

- (1) Consolidate the Leilehua-Mililani-Waialua Complex Area administrative office and support services facilities into a single facility in Wahiawa at the property identified by tax map key number 7-4-004:070 along with the Wahiawa Public Library, currently located on the property, and the Storefront Program; and
- (2) Seek opportunities to generate revenue from the existing facilities and deposit such revenue into the school facilities subaccount for the purposes of construction, repair, retrofitting, and maintenance of school facilities.

Your Committee received testimony in support of this measure from the Department of Education and Hawaii State Teachers Association.

Your Committee finds that the properties currently utilized for the Leilehua-Mililani-Waialua Complex Area administrative office and other support facilities could be used to generate revenue for the schools. Consolidating the administrative office and support facilities with the Wahiawa Public Library would centralize the complex area services and create an accessible, community-centered facility.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 110 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1185 Education on S.R. No. 61

The purpose and intent of this measure is to request the Board of Education to:

- (1) Consolidate the Leilehua-Mililani-Waialua Complex Area administrative office and support services facilities into a single facility in Wahiawa at the property identified by tax map key number 7-4-004:070 along with the Wahiawa Public Library, currently located on the property, and the Storefront Program; and
- (2) Seek opportunities to generate revenue from the existing facilities and deposit such revenue into the school facilities subaccount for the purposes of construction, repair, retrofitting, and maintenance of school facilities.

Your Committee received testimony in support of this measure from the Department of Education and Hawaii State Teachers Association.

Your Committee finds that the properties currently utilized for the Leilehua-Mililani-Waialua Complex Area administrative office and other support facilities could be used to generate revenue for the schools. Consolidating the administrative office and support facilities with the Wahiawa Public Library would centralize the complex area services and create an accessible, community-centered facility.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 61 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Nishihara).

SCRep. 1186 Education on S.C.R. No. 187

The purpose and intent of this measure is to:

- (1) Encourage the Department of Education to establish a pilot youth development flag rugby program at middle and intermediate schools in the Nanakuli-Waianae, Kau-Keau-Pahoa, and Castle-Kahuku Complex Areas aimed at engaging Native Hawaiian and Pacific Islander youth for the purpose of reducing risky behaviors and incarceration rates;
- (2) Request the Department of Education to determine the costs of the pilot program and identify funding sources for its implementation; and

- (3) Request the pilot program to compile quantitative and qualitative data to demonstrate the pilot program's impact upon Native Hawaiian and Pacific Islander youth.

Your Committee received testimony in support of this measure from the Department of Education, Office of Hawaiian Affairs, and Hawaii State Teachers Association.

Your Committee finds that youth development programs are effective in providing positive influences for young people. A pilot youth flag rugby program may be an outlet for at-risk youth to direct their energy in a positive way. Establishing a flag rugby program would help fill the current void of after-school athletics for public middle and intermediate school students, and could help young Native Hawaiians and Pacific Islanders avoid risky behaviors, and ultimately incarceration, rates of which are disproportionately high among those communities. Such a program may offer mentorship; positive support; and the physical, social, and educational stimulation needed to keep at-risk youth engaged in school and motivated to succeed.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 187 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Nishihara).

SCRep. 1187 Education on S.R. No. 122

The purpose and intent of this measure is to:

- (1) Encourage the Department of Education to establish a pilot youth development flag rugby program at middle and intermediate schools in the Nanakuli-Waianae, Kau-Keaau-Pahoa, and Castle-Kahuku Complex Areas aimed at engaging Native Hawaiian and Pacific Islander youth for the purpose of reducing risky behaviors and incarceration rates;
- (2) Request the Department of Education to determine the costs of the pilot program and identify funding sources for its implementation; and
- (3) Request the pilot program to compile quantitative and qualitative data to demonstrate the pilot program's impact upon Native Hawaiian and Pacific Islander youth.

Your Committee received testimony in support of this measure from the Department of Education, Office of Hawaiian Affairs, and Hawaii State Teachers Association.

Your Committee finds that youth development programs are effective in providing positive influences for young people. A pilot youth flag rugby program may be an outlet for at-risk youth to direct their energy in a positive way. Establishing a flag rugby program would help fill the current void of after-school athletics for public middle and intermediate school students, and could help young Native Hawaiians and Pacific Islanders avoid risky behaviors, and ultimately incarceration, rates of which are disproportionately high among those communities. Such a program may offer mentorship; positive support; and the physical, social, and educational stimulation needed to keep at-risk youth engaged in school and motivated to succeed.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 122 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Nishihara).

SCRep. 1188 Education on S.C.R. No. 188

The purpose and intent of this measure is to request the State Public Charter School Commission to:

- (1) Continue its efforts to encourage prospective public charter school applicants to address larger public education system needs, such as the need for increased school capacity in particular geographic areas;
- (2) Intensify its efforts to raise awareness among community stakeholders, including state and county agencies, developers, and community-based organizations, of the potential of public charter schools to resolve these needs, and the rigorous application process of the State Public Charter School Commission; and
- (3) Assess existing and proposed legislative means for incentivizing prospective public charter school applicants to submit proposals addressing public school overcrowding and the need for additional public school capacity.

Your Committee received testimony in support of this measure from the State Public Charter School Commission and Hawaii State Teachers Association.

Your Committee finds that a vibrant public charter school community can simultaneously meet the niche curricular and instructional needs of students while relieving pressures on Department of Education schools presented by over-population. The State Public Charter School Commission should be encouraged to continue efforts to charter high quality schools to expand enrollment options for Hawaii families.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 188 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Nishihara).

SCRep. 1189 Education on S.R. No. 123

The purpose and intent of this measure is to request the State Public Charter School Commission to:

- (1) Continue its efforts to encourage prospective public charter school applicants to address larger public education system needs, such as the need for increased school capacity in particular geographic areas;
- (2) Intensify its efforts to raise awareness among community stakeholders, including state and county agencies, developers, and community-based organizations, of the potential of public charter schools to resolve these needs, and the rigorous application process of the State Public Charter School Commission; and
- (3) Assess existing and proposed legislative means for incentivizing prospective public charter school applicants to submit proposals addressing public school overcrowding and the need for additional public school capacity.

Your Committee received testimony in support of this measure from the State Public Charter School Commission and Hawaii State Teachers Association.

Your Committee finds that a vibrant public charter school community can simultaneously meet the niche curricular and instructional needs of students while relieving pressures on Department of Education schools presented by over-population. The State Public Charter School Commission should be encouraged to continue efforts to charter high quality schools to expand enrollment options for Hawaii families.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 123 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Chun Oakland, Keith-Agaran, Nishihara).

SCRep. 1190 (Joint) Hawaiian Affairs and Water and Land on S.R. No. 24

The purpose and intent of this measure is to request the Aha Moku Advisory Committee, with assistance from the Department of Land and Natural Resources and Office of Hawaiian Affairs, to engage stakeholders for the purpose of developing and adopting rules for its operation and administration.

Your Committees received testimony in support of this measure from the Aha Moku Advisory Committee, Aha Moku O Kaupo, Hookipa Network Kauai, and four individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the Aha Moku Advisory Committee has been operating without rules and regulations. There have been occasions where the Aha Moku Advisory Committee has been unable to take administrative action due to the lack of governing rules and regulations. Your Committees received testimony on behalf of the Aha Moku Advisory Committee confirming that while there is uncertainty as to the Committee's authority to adopt administrative rules, it is agreed that some guiding rules or policies are necessary in order for the Aha Moku Advisory Committee to succeed.

Your Committees have amended this measure by:

- (1) Adding the Association of Hawaiian Civic Clubs as an entity from which the Aha Moku Advisory Committee should seek assistance in developing and adopting rules; and
- (2) Requiring that the report to the Legislature include proposed administrative rules; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 24, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 24, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Inouye).

Water and Land

Ayes, 7. Noes, none. Excused, none.

SCRep. 1191 (Joint) Hawaiian Affairs and Water and Land on S.C.R. No. 55

The purpose and intent of this measure is to request the Aha Moku Advisory Committee, with assistance from the Department of Land and Natural Resources and Office of Hawaiian Affairs, to engage stakeholders for the purpose of developing and adopting rules for its operation and administration.

Your Committees received testimony in support of this measure from the Aha Moku Advisory Committee, Aha Moku O Kaupo, Hookipa Network Kauai, and four individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the Aha Moku Advisory Committee has been operating without rules and regulations. There have been occasions where the Aha Moku Advisory Committee has been unable to take administrative action due to the lack of governing rules and regulations. Your Committees received testimony on behalf of the Aha Moku Advisory Committee confirming that while there is uncertainty as to the Committee's authority to adopt administrative rules, it is agreed that some guiding rules or policies are necessary in order for the Aha Moku Advisory Committee to succeed.

Your Committees have amended this measure by:

- (1) Adding the Association of Hawaiian Civic Clubs as an entity from which the Aha Moku Advisory Committee should seek assistance in developing and adopting rules; and
- (2) Requiring that the report to the Legislature include proposed administrative rules; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 55, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 55, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Inouye).

Water and Land

Ayes, 7. Noes, none. Excused, none.

SCRep. 1192 Tourism and International Affairs on S.C.R. No. 78

The purpose and intent of this measure is to request that the Hawaii Sister-State Committee evaluate and develop recommendations for the initiation of a sister-state relationship with the state of Goa in the country of India.

Your Committee received testimony in support of this measure from thirteen individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Hawaii and Goa are coastal states with diverse ecosystems, populations, cultures, languages, and religions that value economic growth and sustainability that benefit all residents. Your Committee further finds that a sister-state relationship between Hawaii and Goa would promote mutual commerce and trade in areas such as tourism and the film industry, and would increase the prospective opportunity for economic, social, cultural, educational, and environmental exchanges.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 78, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 78, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1193 Tourism and International Affairs on S.C.R. No. 201

The purpose and intent of this measure is to request the Governor to approve the establishment of a sister state relationship between Hawaii and the Prefecture of Hokkaido, Japan.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Hokkaido, Japan, is Japan's largest and northernmost prefecture and an important generator of tourism to Hawaii, as well as an attractive destination for travelers from Hawaii. Your Committee further finds that a relationship between Hawaii and Hokkaido will be highly beneficial in expanding tourism, strengthening cultural bonds, and advancing common goals of international peace and brotherhood.

Your Committee has amended this measure by:

- (1) Deleting language requesting the Governor to approve the establishment of a sister state relationship;
- (2) Inserting language requesting that the Hawaii Sister-State Committee evaluate and develop recommendations for the initiation of a sister-state relationship with the Prefecture of Hokkaido, Japan, and forward its recommendation to the Legislature, pursuant to section 229-3, Hawaii Revised Statutes;
- (3) Amending the title to reflect the amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 201, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 201, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1194 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. No. 517

Recommending that the Senate advise and consent to the nomination of the following:

ADJUTANT GENERAL OF THE DEPARTMENT OF DEFENSE

G.M. No. 517 BRIGADIER GENERAL ARTHUR LOGAN, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Brigadier General Arthur Logan to possess the requisite qualifications to be nominated as the Adjutant General of the Department of Defense.

Your Committee received testimony in support of the nomination of Brigadier General Logan from the Governor; Department of Budget and Finance; Hawaii Emergency Management Agency; Department of Transportation; Veterans Advisory Board; Hawaii Army National Guard; Hawaii National Guard; Hawaii Wing, Civil Air Patrol; Police Department of the City and County of Honolulu; Police Department of the County of Maui; Police Department of the County of Kauai; Chamber of Commerce Hawaii; and forty-one individuals. Your Committee received comments on the nomination of Brigadier General Logan from two individuals.

Upon review of the testimony, your Committee finds that Brigadier General Logan's background and experience qualify him for appointment as the Adjutant General of the Department of Defense. Brigadier General Logan has extensive military and leadership experience, having more than thirty-six years of military service. Commissioned by the Hawaii Army National Guard Officer Candidate School, he spent twenty years as a Honolulu Police Department detective before working as the Counterdrug Coordinator at the Hawaii National Guard, United States Army Commander of the Regional Police Advisory Command-Central in Afghanistan, Chief of Staff of the Hawaii Army National Guard, and Chief of the Joint Staff of the Hawaii National Guard. Since October 2013, Brigadier General Logan has served as the Director of Operations/G3 for the Hawaii Army National Guard where he is responsible for the operations, training, and mobilization of the Hawaii Army National Guard; overseeing an annual budget of \$26,000,000; developing and approving all operational, disaster response, and contingency plans; and supervising the production of situational and informational reports.

Brigadier General Logan received a Bachelor of Arts degree in Justice Administration from Hawaii Pacific University and a Master's degree in Strategic Studies from the United States Army War College. He has received numerous awards and decorations, including the Legion of Merit, United States Army Bronze Star, United States Army Meritorious Service Medal, Army Commendation Medal, Afghanistan Campaign Medal, Global War on Terrorism Expeditionary Medal, and Humanitarian Medal. Brigadier General Logan has served as the President and Vice President of the Hawaii National Guard Association and been active in the National Guard Association of the United States, Military Officers Association of America, Veterans of Foreign Wars, Association of the United States Army, and Contingency Planners of the Pacific.

Your Committee notes that Brigadier General Logan is admired and respected by his colleagues, as evidenced by the overwhelmingly positive testimony submitted on his behalf. Testimony in support of his nomination indicates that he has a proven track record of leadership, strong integrity, and a deep understanding of the State's Army and Air National Guard and emergency management issues. Brigadier General Logan's military service exemplifies his hard work and dedication to the State. He is described as an intelligent, honest, decisive, and fair leader. All of these traits will allow him to be an effective Adjutant General.

Your Committee finds that Brigadier General Logan has excellent credentials and has demonstrated a high level of understanding of the State's emergency management and homeland security needs. His years of military service, accomplishments, and leadership experience indicate that he is capable and ready to serve as the Adjutant General in peacetime or during times of emergency. Brigadier General Logan is exceptionally qualified to serve as the Adjutant General of the Department of Defense.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1195 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. No. 518

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY ADJUTANT GENERAL OF THE DEPARTMENT OF DEFENSE

G.M. No. 518 COLONEL KENNETH HARA, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Colonel Kenneth Hara to possess the requisite qualifications to be nominated as the Deputy Adjutant General of the Department of Defense.

Your Committee received testimony in support of the nomination of Colonel Hara from the Governor; Department of Budget and Finance; Hawaii Emergency Management Agency; Department of Transportation; Veterans Advisory Board; Hawaii Army National Guard; Hawaii National Guard; Hawaii Wing, Civil Air Patrol; Chamber of Commerce Hawaii; and thirty-five individuals.

Upon review of the testimony, your Committee finds that Colonel Hara's background and extensive military experience qualify him for appointment as the Deputy Adjutant General of the Department of Defense. Colonel Hara has extensive military and leadership experience, having more than thirty years of military service, including three combat deployments. He has served as a Battalion Commander, Deputy G3 of the Hawaii Army National Guard, and Deputy Commander and Commander of the 29th Infantry Brigade Combat Team. Since 2013, he has served as the Chief of the Joint Staff of the Hawaii National Guard where he is responsible for developing, implementing, and communicating Hawaii National Guard policies; managing the Hawaii National Guard Joint Staff; advising the Adjutant General regarding Hawaii National Guard training, missions, and functions; collaborating with intergovernmental groups and government officials on emergency management matters; and assisting with strategic communications strategy, plans, and executions.

Colonel Hara received a Bachelor of Arts degree in Human Services from Hawaii Pacific University and a Master's degree in Strategic Studies from the United States Army War College. He has received numerous awards and decorations, including the Legion of Merit, Bronze Star Medal, and Hawaii National Guard Association Field Grade Officer of the Year. Colonel Hara has been active in the Hawaii Pacific University Alumni Association, United States Army War College Alumni Association, Veterans of Foreign Wars of the United States, and Hawaii National Guard Association.

Testimony in support of Colonel Hara's nomination indicates that he is admired and respected by those who know and work with him. He is described by colleagues and friends as an honest, fair, and intelligent leader who is keenly aware of the challenges that face the State and as someone who can be counted on to provide the right decisions at the right time. Since his January appointment as the Deputy Adjutant General of the Department of Defense, he has already demonstrated an ability to build systems and bring a sense of order to the Department. Colonel Hara has the experience, knowledge, and demeanor to assist the Adjutant General in leading the Department.

Your Committee finds that Colonel Hara has outstanding credentials and has demonstrated a high level of understanding of the State's military, security, and emergency management needs. His years of military service, accomplishments, and leadership experience indicate that he is prepared to lead and support the Adjutant General. Colonel Hara is exceptionally qualified to serve as the Deputy Adjutant General of the Department of Defense.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1196 Transportation on S.C.R. No. 143

The purpose and intent of this measure is to request the City and County of Honolulu, in coordination with the Honolulu Authority for Rapid Transportation, to:

- (1) Develop a plan to generate revenue via transit-oriented development near rail stations to include the development of housing and employment clusters;
- (2) Identify locations where tax increment financing or community facilities districts may be established to generate revenues that can be used for construction, operations, and maintenance of the Honolulu rail transit project;
- (3) Review land use ordinances of lands that lie within one half mile of rail stations and implement measures to amend zoning, as necessary, to allow for transit-oriented development in those areas to include but not be limited to commercial, residential, and mixed-use development;
- (4) Identify areas of employment concentration and opportunities for future transit investments; and
- (5) Expend any proceeds from an extension of the 0.5 percent general excise tax surcharge on construction only, and not for rail operation or maintenance costs.

Your Committee received testimony in support of this measure from the Honolulu Authority for Rapid Transportation and one individual. Your Committee received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu and Grassroot Institute of Hawaii.

Your Committee finds that the Honolulu rail transit project presents development opportunities for housing and job creation as rail riders will demand employment and housing opportunities in station areas. Strong housing and employment connections are vital for rail transit to fulfill its potential to address goals of accessibility, stronger regional economies, and reduced greenhouse gas emissions. Value capture strategies such as tax increment financing or community facilities districts can generate revenues that can be used to pay for construction, operations, and maintenance of the Honolulu rail transit project.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 143 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1197 Transportation on S.R. No. 86

The purpose and intent of this measure is to request the City and County of Honolulu, in coordination with the Honolulu Authority for Rapid Transportation, to:

- (1) Develop a plan to generate revenue via transit-oriented development near rail stations to include the development of housing and employment clusters;
- (2) Identify locations where tax increment financing or community facilities districts may be established to generate revenues that can be used for construction, operations, and maintenance of the Honolulu rail transit project;
- (3) Review land use ordinances of lands that lie within one half mile of rail stations and implement measures to amend zoning, as necessary, to allow for transit-oriented development in those areas to include but not be limited to commercial, residential, and mixed-use development;
- (4) Identify areas of employment concentration and opportunities for future transit investments; and

- (5) Expend any proceeds from an extension of the 0.5 percent general excise tax surcharge on construction only, and not for rail operation or maintenance costs.

Your Committee received testimony in support of this measure from the Honolulu Authority for Rapid Transportation and one individual. Your Committee received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu and Grassroot Institute of Hawaii.

Your Committee finds that the Honolulu rail transit project presents development opportunities for housing and job creation as rail riders will demand employment and housing opportunities in station areas. Strong housing and employment connections are vital for rail transit to fulfill its potential to address goals of accessibility, stronger regional economies, and reduced greenhouse gas emissions. Value capture strategies such as tax increment financing or community facilities districts can generate revenues that can be used to pay for construction, operations, and maintenance of the Honolulu rail transit project.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 86 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1198 Transportation on S.C.R. No. 138

The purpose and intent of this measure is to request the Department of Transportation to conduct a study regarding the feasibility and cost of constructing a small commercial boat harbor and small commercial airport in south Puna and to report its findings to the Legislature prior to the 2016 Regular Session.

Your Committee received testimony in support of this measure from the County of Hawai'i Fire Department, County of Hawaii Civil Defense Agency, and eight individuals. Your Committee received comments on this measure from the Department of Transportation and one individual.

Your Committee finds that many people in Puna will be cut off from supplies and services as a result of the lava threatening to cross Highway 130. In the Puna area, there are very few places to access the coast safely due to the jagged cliffs, and road infrastructure cannot be developed due to the extensive network of lava tubes. The Puna coast has the Pohoiki boat ramp, however, the ramp is not large enough to support commercial activity. The closest commercial harbor and commercial airport to Puna are in Hilo, which takes approximately six to eight hours roundtrip to complete. A study is needed to determine the feasibility of providing Puna with other transportation options.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 138 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1199 Transportation on S.C.R. No. 85

The purpose and intent of this measure is to request the Governor and Department of Transportation to include in the 2017-2018 Supplemental Capital Improvement Program request improvements to cruise ship passenger terminals at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii.

Your Committee received testimony in support of this measure from the Department of Transportation and Cruise Lines International Association North West & Canada.

Your Committee finds that while the Department of Transportation has increased the passengers' fees for cruise ship passengers, it has not, except for the improvements to Pier 2 at Honolulu Harbor, included in its Capital Improvement Program the design and construction of cruise ship passenger facilities for each of its major commercial ports serving passenger vessels.

In addition, the Hawaii Tourism Authority is funding a statewide vessel scheduling system for cruise line agents to have online access to reserve and schedule passenger vessels at the Department of Land and Natural Resources small boat harbors at Kona and Lahaina and the Department of Transportation Harbors Division commercial ports at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii.

Improvements to the State's cruise ship passenger facilities will enhance Hawaii's tourism brand.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 85, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 85, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1200 (Joint) Hawaiian Affairs and Agriculture on S.R. No. 107

The purpose and intent of this measure is to request that the Office of Hawaiian Affairs develop a strategic plan for the protection of taro by implementing the recommendations of the Taro Security and Purity Task Force established by Act 211, Session Laws of Hawaii 2008, and the recommendations set forth in the Taro Security and Purity Task Force's 2010 report to the Legislature.

Your Committees received testimony in support of this measure from the Taro Security and Purity Task Force, Association of Hawaiian Civic Clubs, Land Use Research Foundation of Hawaii, Hawaii Farmers Union United, Koolaupoko Hawaiian Civic Club, and two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and Aha Moku Advisory Committee.

Your Committees acknowledge the important and unique role that taro plays with regard to the people and culture of Hawaii. Your Committees specifically recognize the positive impact and results arising from the efforts of the Taro Security and Purity Task Force. However, testimony was received by the Office of Hawaiian Affairs and from the Taro Security and Purity Task Force over concern that the Office of Hawaiian Affairs is not the appropriate agency to implement the recommendations of the Taro Security and Purity Task Force. Therefore, the Taro Security and Purity Task Force recommended that this measure be amended to instead acknowledge the Legislature's support of the Taro Security and Purity Task Force's efforts and reformation as a legislatively enabled body, should that be the desire of the taro farming community.

Your Committees have amended this measure by:

- (1) Removing provisions requesting that the Office of Hawaiian Affairs develop a strategic plan to implement the recommendations set forth in the Taro Security and Purity Task Force's 2010 report to the Legislature;
- (2) Inserting language:
 - (A) Acknowledging the positive impact of the Taro Security and Purity Task Force; and
 - (B) Supporting the reformation of the Taro Security and Purity Task Force as a legislatively enabled body, should the taro farming community determine the need to do so;
- (3) Inserting language requesting the proposed legislatively enabled entity to continue to work with government agencies to determine the most appropriate agency relationship;
- (4) Inserting additional findings;
- (5) Amending its title; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 107, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 107, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Thielen, Wakai).

SCRep. 1201 (Joint) Hawaiian Affairs and Agriculture on S.C.R. No. 171

The purpose and intent of this measure is to request that the Office of Hawaiian Affairs develop a strategic plan for the protection of taro by implementing the recommendations of the Taro Security and Purity Task Force established by Act 211, Session Laws of Hawaii 2008, and the recommendations set forth in the Taro Security and Purity Task Force's 2010 report to the Legislature.

Your Committees received testimony in support of this measure from the Taro Security and Purity Task Force, Association of Hawaiian Civic Clubs, Land Use Research Foundation of Hawaii, Hawaii Farmers Union United, Koolaupoko Hawaiian Civic Club, and two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and Aha Moku Advisory Committee.

Your Committees acknowledge the important and unique role that taro plays with regard to the people and culture of Hawaii. Your Committees specifically recognize the positive impact and results arising from the efforts of the Taro Security and Purity Task Force. However, testimony was received by the Office of Hawaiian Affairs and from the Taro Security and Purity Task Force over concern that the Office of Hawaiian Affairs is not the appropriate agency to implement the recommendations of the Taro Security and Purity Task Force. Therefore, the Taro Security and Purity Task Force recommended that this measure be amended to instead acknowledge the Legislature's support of the Taro Security and Purity Task Force's efforts and reformation as a legislatively enabled body, should that be the desire of the taro farming community.

Your Committees have amended this measure by:

- (1) Removing provisions requesting that the Office of Hawaiian Affairs develop a strategic plan to implement the recommendations set forth in the Taro Security and Purity Task Force's 2010 report to the Legislature;
- (2) Inserting language:
 - (A) Acknowledging the positive impact of the Taro Security and Purity Task Force; and

- (B) Supporting the reformation of the Taro Security and Purity Task Force as a legislatively enabled body, should the taro farming community determine the need to do so;
- (3) Inserting language requesting the proposed legislatively enabled entity to continue to work with government agencies to determine the most appropriate agency relationship;
- (4) Inserting additional findings;
- (5) Amending its title; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 171, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 171, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

Agriculture

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Thielen, Wakai).

SCRep. 1202 (Joint) Hawaiian Affairs and Human Services and Housing on S.R. No. 105

The purpose and intent of this measure is to request the Department of Human Service to consult with the Na Kupuna Tribunal to form a working group to include various identified stakeholders to:

- (1) Determine how the Na Kupuna Tribunal can best assist the courts and Child Protective Services with regard to the placement of Native Hawaiian children who have been removed from their homes;
- (2) Determine how the Na Kupuna Tribunal can best assist Native Hawaiian children who have been removed from their homes; and
- (3) Review the manner in which courts handle child custody cases involving Native Hawaiian children.

Your Committees received testimony in support of this measure from the Association of Hawaiian Civic Clubs and Na Kupuna Tribunal. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the Department of Human Services testified that kupuna groups have previously worked with courts and Child Protective Services regarding child custody matters involving Native Hawaiian children. While that was a positive working relationship, kupuna groups do not currently actively participate in child custody matters. Further, the Department of Human Services testified that while it supports the intent of this measure, it does not have sufficient resources to organize and administer the working group as called for in this measure. The Department of Human Services therefore recommended that the working group be organized and administered by the Hawaii State Legislature Keiki Caucus.

Your Committees have amended this measure by:

- (1) Removing the Department of Human Services as the organizer and administrator of the working group and replacing it with the Hawaii State Legislature's Keiki Caucus;
- (2) Amending the title accordingly;
- (3) Removing references to the Na Kupuna Tribunal and replacing it with the Legacy Coalition;
- (4) Adding the Director of Human Services to the list of stakeholders to be invited to participate in the working group; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 105, as amended herein, and recommend that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.R. No. 105, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Harimoto).

SCRep. 1203 (Joint) Hawaiian Affairs and Human Services and Housing on S.C.R. No. 169

The purpose and intent of this measure is to request the Department of Human Service to consult with the Na Kupuna Tribunal to form a working group to include various identified stakeholders to:

- (1) Determine how the Na Kupuna Tribunal can best assist the courts and Child Protective Services with regard to the placement of Native Hawaiian children who have been removed from their homes;
- (2) Determine how the Na Kupuna Tribunal can best assist Native Hawaiian children who have been removed from their homes; and

- (3) Review the manner in which courts handle child custody cases involving Native Hawaiian children.

Your Committees received testimony in support of this measure from the Association of Hawaiian Civic Clubs and Na Kupuna Tribunal. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the Department of Human Services testified that kupuna groups have previously worked with courts and Child Protective Services regarding child custody matters involving Native Hawaiian children. While that was a positive working relationship, kupuna groups do not currently actively participate in child custody matters. Further, the Department of Human Services testified that while it supports the intent of this measure, it does not have sufficient resources to organize and administer the working group as called for in this measure. The Department of Human Services therefore recommended that the working group be organized and administered by the Hawaii State Legislature Keiki Caucus.

Your Committees have amended this measure by:

- (1) Removing the Department of Human Services as the organizer and administrator of the working group and replacing it with the Hawaii State Legislature's Keiki Caucus;
- (2) Amending the title accordingly;
- (3) Removing references to the Na Kupuna Tribunal and replacing it with the Legacy Coalition;
- (4) Adding the Director of Human Services to the list of stakeholders to be invited to participate in the working group; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 169, as amended herein, and recommend that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 169, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 5. Noes, none. Excused, none.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Harimoto).

SCRep. 1204 Human Services and Housing on S.C.R. No. 92

The purpose and intent of this measure is to request the Department of Human Services to provide information on the number of instances where a minor parent or parents and the children of the minor parents receive public assistance.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network.

Your Committee finds that the family of a minor parent plays an important role in the welfare of the minor parent and the children of the minor parent by holding the minor parent accountable for child rearing and teaching the minor parent appropriate parenting skills. Family members can also help by encouraging the minor parent to complete high school and pursue higher education, to participate in job training and employment, and to enroll the children of the minor parent in early childhood education programs. Your Committee further finds that holding the parents of a minor parent financially responsible for the minor parent and the child of the minor parent will reduce the minor parent's dependency on public assistance. Your Committee notes that thirteen states have established grandparent liability for child support.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 92 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1205 Human Services and Housing on S.R. No. 46

The purpose and intent of this measure is to request the Department of Human Services to provide information on the number of instances where a minor parent or parents and the children of the minor parents receive public assistance.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network.

Your Committee finds that the family of a minor parent plays an important role in the welfare of the minor parent and the children of the minor parent by holding the minor parent accountable for child rearing and teaching the minor parent appropriate parenting skills. Family members can also help by encouraging the minor parent to complete high school and pursue higher education, to participate in job training and employment, and to enroll the children of the minor parent in early childhood education programs. Your Committee further finds that holding the parents of a minor parent financially responsible for the minor parent and the child of the minor parent will reduce the minor parent's dependency on public assistance. Your Committee notes that thirteen states have established grandparent liability for child support.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 46 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1206 Human Services and Housing on S.C.R. No. 130

The purpose and intent of this measure is to convene a working group to develop more collaborative information and decision-making policies and procedures for community engagement as it relates to community development districts.

Your Committee received testimony in support of this measure from Kaka'ako United, Hawaii's Thousand Friends, Life of the Land, Kaka'ako Makai Community Planning Advisory Council, and ten individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that the community residents are important stakeholders who have an interest in development in their community development districts. The Legislature has received complaints that the Hawaii Community Development Authority has repeatedly disregarded and failed to act on community concerns expressed at the Hawaii Community Development Authority community meetings, public hearings, and board meetings. Thus, it is in the best interest of the State and community development districts to implement clear, fair, open, and collaborative procedures.

Your Committee has amended this measure by:

- (1) Deleting language related to the concerns raised by community residents and other stakeholders due to the Hawaii Community Development Authority not following its own long-range plans for the mauka and makai areas in Kaka'ako; and
- (2) Specifying that the working group may include up to four Hawaii Community Development Authority members.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 130, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 130, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1207 Human Services and Housing on S.R. No. 78

The purpose and intent of this measure is to convene a working group to develop more collaborative information and decision-making policies and procedures for community engagement as it relates to community development districts.

Your Committee received testimony in support of this measure from Kaka'ako United, Hawaii's Thousand Friends, Life of the Land, Kaka'ako Makai Community Planning Advisory Council, and ten individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that the community residents are important stakeholders who have an interest in development in their community development districts. The Legislature has received complaints that the Hawaii Community Development Authority has repeatedly disregarded and failed to act on community concerns expressed at the Hawaii Community Development Authority community meetings, public hearings, and board meetings. Thus, it is in the best interest of the State and community development districts to implement clear, fair, open, and collaborative procedures.

Your Committee has amended this measure by:

- (1) Deleting language related to the concerns raised by community residents and other stakeholders due to the Hawaii Community Development Authority not following its own long-range plans for the mauka and makai areas in Kaka'ako; and
- (2) Specifying that the working group may include up to four Hawaii Community Development Authority members.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 78, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 78, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1208 Water and Land on S.C.R. No. 82

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 3-6-001:017, Waikiki, Honolulu, Oahu, for the use, maintenance, and repair of the existing pier constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that Wilton Allen Doane, Jr., and Christina Dao Doane own the property located in Waikiki, Honolulu, Oahu, identified as tax map key: (1) 3-6-001:017. In 2014, it was determined that the existing pier fronting the subject property encumbers approximately one hundred ninety-nine square feet of state submerged lands. The Department of Land and Natural Resources is working with the owners of the subject property to resolve the encroachment onto state submerged lands. On February 27, 2015, under agenda item D-14, the Board of Land and Natural Resources approved the request for a fifty-five year nonexclusive easement by the owners of the subject property. As consideration for the easement, the owners of the subject property agreed to make to the State a one-time payment to be determined by an independent appraisal establishing fair market value, subject to review and approval by the Chairperson of the Board of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 82 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 1209 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.R. No. 29

The purpose and intent of this measure is to urge the Honolulu Authority for Rapid Transportation to incorporate bus rapid transit into its rail transit planning, particularly with connections between the Leeward Coast and East Kapolei, Kaneohe and Downtown Honolulu, and Wahiawa and Pearl Highlands.

Your Committees received testimony in support of this measure from the Honolulu Authority for Rapid Transportation and one individual.

Your Committees find that the Honolulu Authority for Rapid Transportation needs to consider incorporating bus rapid transit into its rail transit planning, particularly with connections between the Leeward Coast and East Kapolei, Kaneohe and Downtown Honolulu, and Wahiawa and Pearl Highlands. Bus rapid transit is an innovative, high capacity, low cost public transit solution that can significantly improve mobility.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 29 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation
Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 1210 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 65

The purpose and intent of this measure is to urge the Honolulu Authority for Rapid Transportation to incorporate bus rapid transit into its rail transit planning, particularly with connections between the Leeward Coast and East Kapolei, Kaneohe and Downtown Honolulu, and Wahiawa and Pearl Highlands.

Your Committees received testimony in support of this measure from the Honolulu Authority for Rapid Transportation and one individual.

Your Committees find that the Honolulu Authority for Rapid Transportation needs to consider incorporating bus rapid transit into its rail transit planning, particularly with connections between the Leeward Coast and East Kapolei, Kaneohe and Downtown Honolulu, and Wahiawa and Pearl Highlands. Bus rapid transit is an innovative, high capacity, low cost public transit solution that can significantly improve mobility.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 65 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation
Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 1211 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.R. No. 27

The purpose and intent of this measure is to urge the Honolulu Authority for Rapid Transportation to identify and implement specific cost cutting practices.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the City County of Honolulu, Department of Human Resources, Honolulu Authority for Rapid Transportation, Hawaii Government Employees Association, and Grassroot Institute of Hawaii.

Your Committees find that the Honolulu Authority for Rapid Transportation has not exerted its best efforts to contain costs on the Honolulu rail project. The Honolulu rail project is budgeted at \$5,200,000,000. However, the Honolulu Authority for Rapid Transportation has already incurred a budget shortfall of up to \$900,000,000 on the Honolulu rail project. In addition, the Project Management Oversight Contractor's monthly report for December 2014 emphasized that the Honolulu rail project's contingency allowance was insufficient. In light of the foregoing, greater effort is needed to reduce the costs of the Honolulu rail project.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 27 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 1212 (Joint) Transportation and Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 63

The purpose and intent of this measure is to urge the Honolulu Authority for Rapid Transportation to identify and implement specific cost cutting practices.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the City County of Honolulu, Department of Human Resources, Honolulu Authority for Rapid Transportation, Hawaii Government Employees Association, and Grassroot Institute of Hawaii.

Your Committees find that the Honolulu Authority for Rapid Transportation has not exerted its best efforts to contain costs on the Honolulu rail project. The Honolulu rail project is budgeted at \$5,200,000,000. However, the Honolulu Authority for Rapid Transportation has already incurred a budget shortfall of up to \$900,000,000 on the Honolulu rail project. In addition, the Project Management Oversight Contractor's monthly report for December 2014 emphasized that the Honolulu rail project's contingency allowance was insufficient. In light of the foregoing, greater effort is needed to reduce the costs of the Honolulu rail project.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 63 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Kouchi, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 1213 Commerce and Consumer Protection on S.C.R. No. 111

The purpose and intent of this measure is to request the Auditor to perform an audit of the policies, procedures, and management of the Real Estate Commission.

Specifically, the measure requests the Auditor to analyze the Real Estate Commission's practices and procedures regarding:

- (1) Management;
- (2) Investigative powers, including the Commission's award of contracts to other entities to carry out investigations;
- (3) Adoption of administrative rules to implement chapter 514B, Hawaii Revised Statutes;
- (4) The condominium mediation program; and
- (5) Collection of fees relating to condominium mediation and training programs.

Your Committee received testimony in support of this measure from numerous individuals. The Real Estate Commission and one individual provided comments on the measure.

Your Committee finds that, throughout the years, the Legislature has made many efforts to address a multitude of problems relating to condominiums, including the manner in which they are governed and providing for alternative dispute resolution mechanisms. Your Committee further finds that, despite these efforts, there are conflicting reports regarding the efficacy of Hawaii's current self-governance model for condominiums. Your Committee finds that unresolved issues over governance and dispute resolution mechanisms diminish the quality of life for condominium residents and may contribute to higher maintenance costs to unit owners.

Accordingly, your Committee has amended this measure by deleting its contents, amending its title, and inserting language that requests the Legislative Reference Bureau to study issues relating to self-governance and dispute resolution under Hawaii's current condominium law.

Specifically, the new language requests the Legislative Reference Bureau to:

- (1) Examine governance models utilized by select states that have a large number of condominium units, including Florida and California;
- (2) Examine past efforts to address problems relating to Hawaii's condominium law;
- (3) Identify governance provisions of Hawaii's current condominium law that are effective and those that are not effective, particularly with respect to senior living condominiums or condominiums located in urban areas;
- (4) Examine the adequacy of the dissemination of information concerning condominium management and operations to condominium unit owners;
- (5) Recommend amendments to Hawaii's condominium law to address those provisions identified as ineffective; and
- (6) Submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

The new language also requests the Real Estate Commission to provide cooperation and any assistance and information the Legislative Reference Bureau may require to complete the study in the timeframe provided.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 111, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 111, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1214 Transportation on S.R. No. 83

The purpose and intent of this measure is to request the Department of Transportation to conduct a study regarding the feasibility and cost of constructing a small commercial boat harbor and small commercial airport in south Puna and to report its findings to the Legislature prior to the 2016 Regular Session.

Your Committee received testimony in support of this measure from the County of Hawai'i Fire Department, County of Hawaii Civil Defense Agency, and eight individuals. Your Committee received comments on this measure from the Department of Transportation and one individual.

Your Committee finds that many people in Puna will be cut off from supplies and services as a result of the lava threatening to cross Highway 130. In the Puna area, there are very few places to access the coast safely due to the jagged cliffs, and road infrastructure cannot be developed due to the extensive network of lava tubes. The Puna coast has the Pohoiki boat ramp, however, the ramp is not large enough to support commercial activity. The closest commercial harbor and commercial airport to Puna are in Hilo, which takes approximately six to eight hours roundtrip to complete. A study is needed to determine the feasibility of providing Puna with other transportation options.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 83 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1215 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.R. No. 45

The purpose and intent of this measure is to request the Department of Public Safety to provide an itemized accounting of the \$1,000,000 that the Justice Reinvestment Initiative set aside in 2012 for community-based programs and the \$3,400,000 set aside in 2013 for expanding treatment programs and victims' services and initiating plans to establish a research and planning office.

Your Committees received testimony in support of this measure from the Department of Public Safety; Crime Victim Compensation Commission; Institute for Human Services, Inc.; Community Alliance on Prisons; Ho'omana Pono, LLC; and four individuals.

Your Committees find that justice reinvestment legislation mandates use of a pretrial risk assessment, reduces sentences for certain parole violations and drug offenses, expands parole, and enhances community-based treatment and victims' services. After only the first year of implementation, justice reinvestment led to a four percent decrease in the State's incarcerated population and saved the State \$2,500,000 in fiscal year 2013. An itemized accounting of Justice Reinvestment Initiative funds will provide accountability and better assurance that data-driven and evidence-based strategies are used to further justice reinvestment in the State.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 45 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Espero).
Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Espero, Thielen).

SCRep. 1216 (Joint) Energy and Environment and Government Operations on S.C.R. No. 140

The purpose and intent of this measure is to urge all state agencies to retrofit street lights and other outdoor lamp lighting fixtures with energy-efficient, light-emitting diode or LED bulbs, where appropriate.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Department of Transportation; and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that street lights and other state outdoor lighting fixtures that operate throughout the night consume large amounts of electricity, the costs of which are ultimately paid for by tax dollars. Energy-efficient, light-emitting diode or LED bulbs consume less watts to produce the same amount of light, produce a whiter light, and can be used for a longer duration compared to the current low-pressure sodium bulbs used in many street lights and other outdoor lighting fixtures. Retrofitting outdoor lighting fixtures, including street lights and outdoor athletic facilities, with energy-efficient, light-emitting diode or better technology bulbs will allow for significant energy savings.

Your Committees have heard the testimony expressing concerns that the blue light from light-emitting diode bulbs produces light pollution and believes this issue merits further consideration.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 140 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 5. Noes, none. Excused, none.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 1217 (Joint) Energy and Environment and Government Operations on S.R. No. 84

The purpose and intent of this measure is to urge all state agencies to retrofit street lights and other outdoor lamp lighting fixtures with energy-efficient, light-emitting diode or LED bulbs, where appropriate.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Department of Transportation; and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that street lights and other state outdoor lighting fixtures that operate throughout the night consume large amounts of electricity, the costs of which are ultimately paid for by tax dollars. Energy-efficient, light-emitting diode or LED bulbs consume less watts to produce the same amount of light, produce a whiter light, and can be used for a longer duration compared to the current low-pressure sodium bulbs used in many street lights and other outdoor lighting fixtures. Retrofitting outdoor lighting fixtures, including street lights and outdoor athletic facilities, with energy-efficient, light-emitting diode or better technology bulbs will allow for significant energy savings.

Your Committees have heard the testimony expressing concerns that the blue light from light-emitting diode bulbs produces light pollution and believes this issue merits further consideration.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 84 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 5. Noes, none. Excused, none.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 1218 Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 128

The purpose and intent of this measure is to:

- (1) Request the Department of Public Safety to form a working group to examine smarter sentencing to improve the quality and reliability of state criminal sentencing practices; and
- (2) Request that the working group submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Institute for Human Services, Inc.; Community Alliance on Prisons; Sex Abuse Treatment Center; Drug Policy Action Group; Ho'omana Pono, LLC; and five individuals. Your Committee received comments on this measure from the Department of Public Safety and the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that the increasing number of individuals imprisoned has led to rising operating costs, community reliance on incarceration, and growing numbers of inmates prematurely released from prison each year. Interdependency among participants in the judicial process needs to be recognized in working with each other and in the decision-making processes regarding offenders. A working group to examine smarter sentencing, which enhances the decision making ability of criminal justice stakeholders in the selection and application of fair and efficient sanctioning goals, will improve the quality of the State's criminal sentencing practices.

Your Committee has amended this measure by:

- (1) Expanding the working group to include one representative of the Sex Abuse Treatment Center, one representative of the Hawaii State Coalition Against Domestic Violence, and one representative of Mothers Against Drunk Driving Hawaii; and
- (2) Amending the list of recipients to receive a certified copy.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 128, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 128, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 1219 Public Safety, Intergovernmental and Military Affairs on S.R. No. 76

The purpose and intent of this measure is to:

- (1) Request the Department of Public Safety to form a working group to examine smarter sentencing to improve the quality and reliability of state criminal sentencing practices; and
- (2) Request that the working group submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Institute for Human Services, Inc.; Community Alliance on Prisons; Sex Abuse Treatment Center; Drug Policy Action Group; Ho'omana Pono, LLC; and five individuals. Your Committee received comments on this measure from the Department of Public Safety and the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that the increasing number of individuals imprisoned has led to rising operating costs, community reliance on incarceration, and growing numbers of inmates prematurely released from prison each year. Interdependency among participants in the judicial process needs to be recognized in working with each other and in the decision-making processes regarding offenders. A working group to examine smarter sentencing, which enhances the decision making ability of criminal justice stakeholders in the selection and application of fair and efficient sanctioning goals, will improve the quality of the State's criminal sentencing practices.

Your Committee has amended this measure by:

- (1) Expanding the working group to include one representative of the Sex Abuse Treatment Center, one representative of the Hawaii State Coalition Against Domestic Violence, and one representative of Mothers Against Drunk Driving Hawaii; and
- (2) Amending the list of recipients to receive a certified copy.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 76, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.R. No. 76, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 1220 (Majority) Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 52

The purpose and intent of this measure is to petition the United States Congress for a limited amendments convention to restore free and fair elections by addressing concerns raised by the decision of the United States Supreme Court in *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010) and related cases.

Your Committee received testimony in support of this measure from sixteen individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that the United States Supreme Court ruling in *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010) removed restrictions on amounts of independent political spending. The removal of those restrictions has resulted in the unjust influence of powerful economic forces, which have supplanted the will of the people by undermining the people's ability to choose their political leadership, write their own laws, and determine the fate of their state. There is a need for the United States Congress to convene a convention to propose Constitutional amendments to address a variety of concerns and restore the rights of the people.

Your Committee has amended this measure by:

- (1) Requesting that the convention also address whether money spent on candidate elections and ballot measures should constitute "speech" under the First Amendment;
- (2) Amending the title accordingly;
- (3) Authorizing the State of Hawaii, rather than the convention, to retain the ability to restrict or expand the power of its delegates within certain limits; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 52, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 52, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Keith-Agaran). Noes, 1 (Slom). Excused, 1 (Baker).

SCRep. 1221 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.C.R. No. 122

The purpose and intent of this measure is to request the Auditor to conduct an audit to determine the existence of potential patterns of abuse in the use of state and federal leave benefits by adult corrections officers of the Department of Public Safety.

Your Committees received testimony in support of this measure from the Department of Public Safety; Institute for Human Services, Inc.; Community Alliance on Prisons; Drug Policy Action Group; Ho'omana Pono, LLC; and four individuals.

Your Committees find that during the first six months of 2013, the day with the highest absentee rate among adult corrections officers at the Oahu Community Correctional Center was New Year's Day, when forty-six percent of the corrections officers scheduled

to work called in sick. Nearly half of the corrections officers at four correctional facilities across the State called in sick on Super Bowl Sunday in 2015. High absenteeism results in low staffing levels, leaving inmates, staff, and the public at risk; more money spent on overtime; and the cancellation of scheduled family visitation times. An audit will determine whether potential patterns of abuse exist in the use of state and federal leave benefits by adult corrections officers of the Department of Public Safety.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 122 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Espero).

Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Espero, Thielen).

SCRep. 1222 Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 135

The purpose and intent of this measure is to:

- (1) Request the Department of Public Safety to convene a working group regarding process servers; and
- (2) Request that the working group report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that process servers play an important role in facilitating timely judicial process and protecting public safety. However, there has been recent concern regarding process servers behaving inappropriately and abusively toward those they are serving. Convening a working group will alleviate concerns by defining and delineating the powers and duties of process servers.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 135 and recommends that it be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 1223 Judiciary and Labor on S.C.R. No. 79

The purpose and intent of this measure is to:

- (1) Request the Department of the Attorney General to establish a task force to:
 - (A) Consult with the Department of the Interior's Office of Insular Affairs in Hawaii regarding federal funds and services available to assist Freely Associated States citizens in Hawaii;
 - (B) Consult with the United States Census Bureau on obtaining information regarding future national or regional censuses on the number of Freely Associated States citizens in Hawaii; and
 - (C) Investigate and coordinate the provision of medical, educational, housing, and social services to migrants from the Freely Associated States; and
- (2) Request the task force to submit a report to the Legislature prior to the Regular Session of 2016 on any actions taken, information gathered, and recommendations made by the task force.

Your Committee received testimony in support of this measure from three individuals. Your Committee received comments on this measure from the Department of the Attorney General and Department of Human Services.

Your Committee finds that under the Compact of Free Association, Freely Associated States citizens can migrate in and out of Hawaii without visas or other immigration requirements. As a result of this migration, it is reported that the education, health, public safety, and social services costs of migrants from the Freely Associated States to Hawaii alone was \$628,752,280 between 2004 and 2010, with education and health care costs accounting for the largest shares. However, there is no centralized plan for the provision of services to this migrant population. This measure will help to coordinate the provision of medical, educational, housing, and social services to citizens from the Freely Associated States.

Your Committee notes the concerns raised by the Department of the Attorney General that this measure duplicates the efforts of a similar task force that was previously convened by the Department in 2007 for the same purpose. The Compacts of Free Association Task Force submitted a report with recommendations to the Legislature of the Regular Session of 2009 that addressed the issues raised by this measure. As a result, the Department of the Attorney General suggested that in the alternative the scope of this measure be narrowed to focus on one or two of the recommendations of the 2007 task force with the goal of developing a plan for implementing those recommendations. Your Committee further notes that the Department of the Attorney General suggested the recommendations made by the previous task force relating to a cultural center that provides a standardized service delivery process and the development of an acculturation program, including the distribution of an acculturation booklet regarding available resources.

Your Committee has amended this measure by:

- (1) Adopting the suggestion made by the Department of the Attorney General that changes the scope of this measure from requesting the Department of the Attorney to convene a task force to requesting the Department of the Attorney General and

Department of Human Services to conduct a study on the status of the implementation of the recommendations made in the *Final Report of the Compacts of Free Association Task Force Pursuant to Senate Resolution No. 142, S.D. 1, Regular Session of 2007*;

- (2) Requesting that the Department of the Attorney General and Department of Human Services:
 - (A) Provide an update of the *Final Report of the Compacts of Free Association Task Force* and status of the State's implementation of the recommendations relating to funding, census, and services;
 - (B) Provide further details on certain recommendations relating to services;
 - (C) Identify any gaps in providing medical, education, housing, and social services to Freely Associated States citizens; and
 - (D) Submit a report to the Legislature prior to the convening of the Regular Session of 2016, of their findings and recommendations, including any proposed legislation;
- (3) Making conforming amendments, including amendments to its title, to properly reflect the change in scope; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 79, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 79, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1224 Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 90

The purpose and intent of this measure is to encourage the Department of Public Safety to continue and expand its structured community placement programs to assist in transitioning formerly incarcerated female inmates back into society.

Your Committee received testimony in support of this measure from the Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, Drug Policy Action Group, and four individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that structured community placement programs help non-violent female offenders break the cycle of substance abuse, crime, and incarceration because many female offenders return to incarceration if their drug or alcohol dependencies are not treated and their recovery is not supported during their transition. Female offenders who become repeat offenders due to substance abuse addiction greatly cost the public and the State. Continuing and expanding structured community placement programs will reduce incarceration costs and address the problems associated with reentry and the high rate of recidivism.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 90 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 1225 (Majority) Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 149

The purpose and intent of this measure is to:

- (1) Request the Auditor to conduct a financial audit of commissary operations at out-of-state correctional facilities contracted to house Hawaii's inmates; and
- (2) Request that the Auditor submit a report of its findings, recommendations, and actions to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Public Safety; Community Alliance on Prisons; Ho'omana Pono, LLC; Drug Policy Action Group; and three individuals.

Your Committee finds that commissaries at correctional facilities provide an opportunity for inmates to purchase goods for personal use, including sundries, hygiene products, and food. However, the prices of goods at correctional facility commissaries are often higher than those found in public retail stores. Hawaii inmates that have been transferred to Arizona's Saguaro Correctional Center are charged an extra four percent on all commissary orders as payment toward restitution and are charged Arizona's sales tax on all commissary purchases. A financial audit of commissary operations at out-of-state correctional facilities that are contracted to house Hawaii's inmates will determine if the markups at these commissaries are excessive.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 149, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 149, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Baker).

SCRep. 1226 Agriculture on S.C.R. No. 80

The purpose and intent of this measure is to request the Department of Agriculture and Hawaii Farmers Union United to collaborate to establish a nutrient recycling center pilot project.

Your Committee received testimony in support of this measure from the Hawaii Farmers Union United, Tea Hawaii & Company, One Island Sustainable Living, Counter Culture Food + Ferments, and forty-one individuals. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that the use of commercial fertilizers decreases soil health and species diversity, increases pesticide use, and reduces the nutrient density of food unlike nutrient recycling, which puts end products back into the land-based food chain, thereby eliminating waste and pollution, lowering production costs, increasing yields, and leaving the soil in a revitalized condition. Your Committee further finds that a nutrient recycling center in Hawaii would promote environmental, economic, and social benefits for the State along with food and energy security for Hawaii residents.

Your Committee has amended this measure by:

- (1) Inserting language requesting the Department of Agriculture to collaborate with the University of Hawaii College of Tropical Agriculture and Human Resources in addition to the Hawaii Farmers Union United;
- (2) Amending the title to reflect the amended purpose;
- (3) Amending a finding to clarify that without nutrient recycling, nutrients flow from farmland into aquifers and shorelines; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 80, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 80, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1227 Higher Education and the Arts on S.C.R. No. 75

The purpose and intent of this measure is to request that the University of Hawaii at Manoa Department of Kinesiology and Rehabilitation Science convene a working group to develop an implementation strategy to require youth sports organizations to initiate and implement concussion management plans.

Your Committee did not receive any testimony on this measure.

Your Committee finds that concussions may cause lasting health effects and long-term physical damage, including memory loss, intense aggression, language impairment, and personality changes. Modern treatments to combat these serious effects include baseline and post-injury neuropsychological and balance assessments. Increasingly, in situations involving children, these treatments include a physician's examination and release of a concussed child prior to the child's return to sports or active play. These forms of treatment are vital to the proper evaluation and treatment of a concussed child.

Your Committee further finds that concussions, specifically the absence of a coherent or streamlined treatment plan of concussions, are a constant and serious issue in the realm of interscholastic sports and youth sports leagues. Additionally, this issue has further spread to include legal actions nationwide. However, not all youth sports organizations in Hawaii employ concussion management plans. This measure seeks to resolve this by convening a working group, through the University of Hawaii at Manoa Department of Kinesiology and Rehabilitation Science, to develop a strategy to require youth sports organizations to implement and initiate concussion management plans.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 75, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 75, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1228 Human Services and Housing on S.C.R. No. 183

The purpose and intent of this measure is to request that the Executive Office on Aging establish a working group to review adult education services and the potential to provide new learning opportunities to senior citizens.

Your Committee received comments on this measure from Catholic Charities Hawaii and the National Active and Retired Federal Employees Association.

Your Committee finds that adult education services for senior citizens are offered by various government and private nonprofit entities on Oahu. Your Committee further finds that funding for services for senior citizens is limited and potential exists to improve the delivery of adult education services by eliminating duplicative and inefficient services and utilizing the savings to offer new learning opportunities for seniors.

Your Committee has amended this measure by:

- (1) Inserting language to include senior center representation in the working group;

- (2) Inserting language to include care home operator and foster care home operator representation in the working group;
- (3) Inserting language to require that a certified copy be transmitted to the Chairperson of the Board of Education; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as S.C.R. No. 183, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1229 Human Services and Housing on S.R. No. 118

The purpose and intent of this measure is to request that the Executive Office on Aging establish a working group to review adult education services and the potential to provide new learning opportunities to senior citizens.

Your Committee received comments on this measure from Catholic Charities Hawaii and the National Active and Retired Federal Employees Association.

Your Committee finds that adult education services for senior citizens are offered by various government and private nonprofit entities on Oahu. Your Committee further finds that funding for services for senior citizens is limited and potential exists to improve the delivery of adult education services by eliminating duplicative and inefficient services and utilizing the savings to offer new learning opportunities for seniors.

Your Committee has amended this measure by:

- (1) Inserting language to include senior center representation in the working group;
- (2) Inserting language to include care home operator and foster care home operator representation in the working group;
- (3) Inserting language to require that a certified copy be transmitted to the Chairperson of the Board of Education; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 118, as amended herein, and recommends that it be referred to the Committee on Education, in the form attached hereto as S.R. No. 118, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1230 (Joint) Human Services and Housing and Health on S.C.R. No. 105

The purpose and intent of this measure is to request that the Department of Human Services and Department of Health not consider as income the Social Security Act Title II benefit when determining eligibility for the state supplement to federal supplemental security income ("SSI") and Medicaid and requesting that each Department adopt rules to allow providers of Medicaid adult day health services to bill in fifteen minute increments.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Lanakila Pacific, Easter Seals Hawaii, The Arc in Hawaii, and sixty individuals. Your Committees received testimony in opposition to this measure from the Department of Human Services. Your Committees received comments on this measure from the Department of Health.

Your Committees find that federal SSI is insufficient to cover the cost of necessary residential and health care services for individuals with disabilities who have extremely low income. Your Committees further find that Hawaii has long recognized and addressed the shortfall in living income provided by SSI by authorizing a state supplemental payment to SSI. However, eligibility for Medicaid and the state supplement to SSI are subject to an income qualification standard and, in some cases, the receipt of federal disability benefits causes an individual's total income to exceed the income qualification standard and the individual to become ineligible for Medicaid or the state supplement to SSI. Your Committees find that considering social security disability income, or the increase thereof, as income when determining eligibility for state benefits causes extreme financial difficulty for affected individuals and service providers.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 105 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing
Ayes, 4. Noes, none. Excused, 1 (Slom).

Health
Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

SCRep. 1231 (Joint) Human Services and Housing and Health on S.R. No. 59

The purpose and intent of this measure is to request that the Department of Human Services and Department of Health not consider as income the Social Security Act Title II benefit when determining eligibility for the state supplement to federal supplemental security income ("SSI") and Medicaid and requesting that each Department adopt rules to allow providers of Medicaid adult day health services to bill in fifteen minute increments.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Lanakila Pacific, Easter Seals Hawaii, The Arc in Hawaii, and sixty individuals. Your Committees received testimony in opposition to this measure from the Department of Human Services. Your Committees received comments on this measure from the Department of Health.

Your Committees find that federal SSI is insufficient to cover the cost of necessary residential and health care services for individuals with disabilities who have extremely low income. Your Committees further find that Hawaii has long recognized and addressed the shortfall in living income provided by SSI by authorizing a state supplemental payment to SSI. However, eligibility for Medicaid and the state supplement to SSI are subject to an income qualification standard and, in some cases, the receipt of federal disability benefits causes an individual's total income to exceed the income qualification standard and the individual to become ineligible for Medicaid or the state supplement to SSI. Your Committees find that considering social security disability income, or the increase thereof, as income when determining eligibility for state benefits causes extreme financial difficulty for affected individuals and service providers.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 59 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

SCRep. 1232 (Joint) Human Services and Housing and Education on S.C.R. No. 66

The purpose and intent of this measure is to request the Department of Human Services to explore the possibility of expanding the Early Head Start Program to include a broader range of incomes and determine whether broadening the income eligibility would address the gap of children not currently receiving early learning services.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association and one individual. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that children who have been given early learning opportunities are more likely to grow into healthy, capable, and contributing adults. Early Head Start is a federal early learning program that provides family-centered services that facilitate child development, support parental roles, and promote self-sufficiency. Your Committees further find that an income eligibility requirement excludes some families that cannot afford to pay for early learning programs from receiving the services provided by Early Head Start.

Your Committees have amended this measure by:

- (1) Inserting language to include the Department of Education and Executive Office on Early Learning in a collaboration with the Department of Human Services to explore the feasibility of expanding the Early Head Start Program to a broader range of incomes to address the gap of children not currently receiving services;
- (2) Amending the title accordingly; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 66, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 66, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1233 (Joint) Human Services and Housing and Water and Land on S.C.R. No. 136

The purpose and intent of this measure is to request an update of the State Housing Functional Plan.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning, and Land Use Research Foundation of Hawaii.

Your Committees find that the Hawaii State Planning Act, codified as chapter 226, Hawaii Revised Statutes, outlines a long-range guide for Hawaii's future and establishes a statewide planning system. The State's housing requirements have changed since the State Housing Functional Plan was last updated, including the need for housing in relation to transit-oriented development.

Your Committees have amended this measure by:

- (1) Clarifying that the Hawaii Housing Finance and Development Corporation updated the State Housing Functional Plan in 1990 to address the housing needs for all income levels, including the homeless; and
- (2) Adding additional recipients of certified copies of this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 136, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 136, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1234 (Joint) Human Services and Housing and Health on S.C.R. No. 107

The purpose and intent of this measure is to request the convening of a Family Caregivers Working Group to examine and assess legislation relating to the role of family caregivers of patients discharged from hospitals.

Your Committees received testimony in support of this measure from the Policy Advisory Board for Elder Affairs, AARP Hawaii, American Cancer Society Cancer Action Network, International Longshore and Warehouse Union Local 142 Hawaii, Kokua Council, PHOCUSED, and nine individuals. Your Committees received comments on this measure from the Department of Health, Hawaii Association of Health Plans, Hawaii Pacific Health, Healthcare Association of Hawaii, and The Queen's Health Systems.

Your Committees find that family caregivers are increasingly called upon to provide care for family members who are discharged from the hospital. Your Committees further find that it is important for hospitals statewide to provide a minimum and consistent level of instruction to caregivers. Your Committees recognize existing concerns that mandating hospitals to provide instruction to caregivers upon a patient's discharge could create issues related to liability, cost, and implementation. However, your Committees find that the efforts of the Family Caregivers Working Group created in 2014 are important and should be continued, ensuring that there is an even balance between caregiver advocates and hospitals in the membership of the working group.

Your Committees have amended this measure by:

- (1) Inserting language to include an option for representation from long-term care facilities in the working group;
- (2) Inserting language to include a member from the Hawaii Association of Health Plans in the working group;
- (3) Specifying that the member of the working group from the Hawaii Health Systems Corporation be the Chief Executive Officer of the Hawaii Health Systems Corporation or the Chief Executive Officer's designee;
- (4) Inserting a provision requesting the working group to analyze public and private community-based resources that are available throughout the State;
- (5) Making the Legislative Reference Bureau responsible for providing logistical support and preparing any reports for the working group instead of the Department of Health; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 107, as amended herein, and recommend that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 107, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

SCRep. 1235 (Joint) Tourism and International Affairs and Water and Land on S.C.R. No. 83

The purpose and intent of this measure is to urge the Aloha Tower Development Corporation to develop a plan to relocate, renovate, upgrade, reopen, develop, or demolish the Hawaii Maritime Museum building and the nearby areas so that Pier 7 may serve as an attraction of the Aloha Tower Complex.

Your Committees received testimony in support of this measure from the Department of Transportation, Friends of Falls of Clyde, and one individual. Your Committees received comments on this measure from the Bishop Museum.

Your Committees find that the Hawaii Maritime Center, located at Pier 7, was the principal maritime museum in the State until its closure in 2009. Your Committees further find that the Aloha Tower Development Corporation was established to develop the Aloha

Tower Complex to feature and enhance the physical, public use, and visual characteristics of the historic Aloha Tower and surrounding area.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 83 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (English, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1236 (Joint) Tourism and International Affairs and Water and Land on S.R. No. 38

The purpose and intent of this measure is to urge the Aloha Tower Development Corporation to develop a plan to relocate, renovate, upgrade, reopen, develop, or demolish the Hawaii Maritime Museum building and the nearby areas so that Pier 7 may serve as an attraction of the Aloha Tower Complex.

Your Committees received testimony in support of this measure from the Department of Transportation, Friends of Falls of Clyde, and one individual. Your Committees received comments on this measure from the Bishop Museum.

Your Committees find that the Hawaii Maritime Center, located at Pier 7, was the principal maritime museum in the State until its closure in 2009. Your Committees further find that the Aloha Tower Development Corporation was established to develop the Aloha Tower Complex to feature and enhance the physical, public use, and visual characteristics of the historic Aloha Tower and surrounding area.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 38 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Tourism and International Affairs

Ayes, 3. Noes, none. Excused, 2 (English, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1237 (Joint) Energy and Environment and Health on S.C.R. No. 155

The purpose and intent of this measure is to:

- (1) Request the Department of Health to promptly investigate all alleged violations in the solid waste recycling industry and timely issue any appropriate penalty or order and ensure compliance with any necessary corrective action;
- (2) Request the Department of Health to timely provide a complaining or interested party with information regarding the status and results of any such investigation and any resulting penalty or order for corrective action; and
- (3) Request the Department of Health to equitably enforce pertinent laws and rules.

Your Committees received testimony in support of this measure from Schnitzer Steel Hawaii and one individual. Your Committees received testimony in opposition to this measure from Island Recycling Inc. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the Department of Health is authorized to enforce laws and rules regarding the solid waste recycling industry. These laws and rules are necessary to ensure the continued positive impact of the solid waste recycling industry while minimizing any possible negative impacts. Allowing a company to violate these laws and rules without swift action by the Department of Health not only presents risks of harm to Hawaii's citizens and the environment, but tarnishes the reputation of the industry and puts companies that operate within the rules at a disadvantage. An examination of all alleged violations in the solid waste recycling industry and equitable enforcement of pertinent laws and rules will ensure that a company's operations are conducted in a responsible and safe manner and discourage unlawful conduct.

Your Committees have amended this measure by:

- (1) Eliminating any references to "Island Recycling Incorporated"; and
- (2) Clarifying that some of Hawaii's solid waste recycling companies, rather than only Island Recycling Incorporated, may have and continue to violate applicable laws and rules.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 155, as amended herein, and recommend that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 155, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Riviere, Ruderman).

SCRep. 1238 (Joint) Energy and Environment and Health on S.C.R. No. 69

The purpose and intent of this measure is to:

- (1) Request the Department of Health to implement a radiation monitoring pilot project; and
- (2) Request the Department of Health to submit reports of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Sessions of 2018 and 2021.

Your Committees received comments on this measure from the Department of Health.

Your Committees find that the nuclear event in Fukushima, Japan, on March 11, 2011, continues to cause concern about levels of radiation in the Pacific. Monitoring radiation levels in the Hawaiian Islands is necessary to measure the impact that the Fukushima nuclear disaster may have had on the environment, public health, and food supply.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 69 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Riviere, Ruderman).

SCRep. 1239 Agriculture on S.R. No. 128

The purpose and intent of this measure is to encourage the Agribusiness Development Corporation to develop a plan to acquire the dam and spillway of Lake Wilson for pumped-storage hydroelectricity.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau and one individual.

Your Committee finds that renewable energy is important to the State's energy goals and hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. Your Committee further finds that hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

Your Committee has amended this measure by:

- (1) Inserting language requesting that any electricity and revenue generated from pumped-storage hydroelectricity be used primarily to support agriculture or agriculture programs; and
- (2) Amending the title to remove the term "pumped-storage".

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 128, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 128, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1240 Agriculture on S.C.R. No. 193

The purpose and intent of this measure is to encourage the Agribusiness Development Corporation to develop a plan to acquire the dam and spillway of Lake Wilson for pumped-storage hydroelectricity.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau and one individual.

Your Committee finds that renewable energy is important to the State's energy goals and hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. Your Committee further finds that hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

Your Committee has amended this measure by:

- (1) Inserting language requesting that any electricity and revenue generated from pumped-storage hydroelectricity be used primarily to support agriculture or agriculture programs; and
- (2) Amending the title to remove the term "pumped-storage".

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 193, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 193, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1241 Agriculture on S.R. No. 82

The purpose and intent of this measure is to request that the Department of Agriculture establish the Hawaii Good Agricultural Practices Program.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Farmers Union United, Tea Hawaii & Company, Counter Culture Food + Ferments, and nineteen individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that a Hawaii Good Agricultural Practices Program helps to fulfill the mandate of the Hawaii State Constitution to preserve and protect agricultural resources and will assist small farms to develop science- and risk-based good agricultural practices to reasonably reduce the potential for on-farm food-borne illnesses by providing education and compliance certification programs. Your Committee further finds that the Program will aid farmers with compliance under the Food Safety Modernization Act of 2011, which authorizes the Food and Drug Administration to set minimum criteria for preventing food-borne illnesses, once Hawaii farmers come under the authority of the Act.

Your Committee also finds that the Department of Agriculture requires funds in order to properly establish the Hawaii Good Agricultural Practices Program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 82 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1242 Agriculture on S.C.R. No. 137

The purpose and intent of this measure is to request that the Department of Agriculture establish the Hawaii Good Agricultural Practices Program.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Farmers Union United, Tea Hawaii & Company, Counter Culture Food + Ferments, and nineteen individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that a Hawaii Good Agricultural Practices Program helps to fulfill the mandate of the Hawaii State Constitution to preserve and protect agricultural resources and will assist small farms to develop science- and risk-based good agricultural practices to reasonably reduce the potential for on-farm food-borne illnesses by providing education and compliance certification programs. Your Committee further finds that the Program will aid farmers with compliance under the Food Safety Modernization Act of 2011, which authorizes the Food and Drug Administration to set minimum criteria for preventing food-borne illnesses, once Hawaii farmers come under the authority of the Act.

Your Committee also finds that the Department of Agriculture requires funds in order to properly establish the Hawaii Good Agricultural Practices Program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1243 Water and Land on S.C.R. No. 81

The purpose and intent of this measure is to authorize a fifty-five year term, non-exclusive easement to Paul D. Gossman as trustee of the Paul D. Gossman Residence Trust Dated December 18, 2008, for seawall encroachment purposes, according to the terms and conditions approved by the Board of Land and Natural Resources on August 9, 2013.

Your Committee did not receive any testimony on this measure.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by inserting language to authorize the issuance of a term, nonexclusive easement for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall over, under, and across state-owned land identified as tax key map number (2)4-5-013, seaward of 027, an area of approximately 2,352 square feet, in Lahaina, to the Association of Apartment Owners of Lahaina Roads, according to the terms and conditions approved by the Board of Land and Natural Resources on July 27, 2012.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources.

Your Committee finds that the seaward boundary of the Paul D. Gossman Residence Trust property fronts the ocean and a seawall straddles the seaward boundary of the Paul D. Gossman Residence Trust property and submerged public land, which is state owned and identified by tax key map number (2)4-5-003, seaward of parcel 026. A portion of the seawall encroaches into the state-owned submerged land. The easement term is for fifty-five years in consideration for a one-time payment to be determined by independent appraisal establishing a fair market rent, subject to review and approval by the Chairperson of the Board of Land and Natural Resources. The Board of Land and Natural Resources approved the request of Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust Dated December 18, 2008, for a term, non-exclusive easement over a portion of state-owned land located in Lahaina, Maui, on August 9, 2013, under agenda item D-10.

Your Committee further finds that the Association of Apartment Owners of Lahaina Roads, a non-profit corporation, is planning to conduct minor repairs to the existing nonconforming seawall fronting the Lahaina Roads complex in Lahaina, Maui, tax key map number (2)4-5-013, seaward of 027, an area of approximately 2,352 square feet. The Board of Land and Natural Resources approved

the request of the Association of Apartment Owners of Lahaina Roads of a term, non-exclusive easement for a portion of state-owned land located in Lahaina, Maui, on July 27, 2012, under agenda item D-3.

Your Committee has amended this measure by:

- (1) Adopting the proposed S.D. 1; and
- (2) Clarifying that legislative approval of both easements is subject to confirmation by survey of the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 81, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 81, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1244 Water and Land on S.C.R. No. 163

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue four term, nonexclusive easements covering a portion of state submerged lands fronting the property identified as seaward of Tax Map Keys: (2) 3-8-002:071, 074, 077, 078, and 094: Spreckelsville, Wailuku, Maui, for the use, maintenance, and repair of four existing rock groin structures.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Stable Road Beach Restoration Foundation, Inc.

According to testimony of the Department of Land and Natural Resources, the Stable Road Beach Restoration Foundation, Inc., worked with the Department, the County of Maui, other state agencies, and federal agencies to secure the necessary permits and approvals to construct four rock groins fronting the private properties identified above to address beach erosion.

Your Committee finds that the Board of Land and Natural Resources approved the Office of Conservation and Coastal Lands Small Scale Beach Nourishment SSBN-MA-08-01 application under a State Programmatic General Permit in May 2009 to allow the Stable Road Beach Restoration Foundation, Inc., to install four temporary geo-tube groins and beach nourishment on the Stable Road Beach. Other key permits were received, including a Special Management Area Exemption 2008/0453 and Shoreline Setback Approval 2008/0042 from the County of Maui in February 2009, a Water Quality Certification from the Clean Water Branch of the Department of Health, and the issuance of Revocable Permit No. S-7618 by the Land Division of the Department of Land and Natural Resources. Under the approval of the Board of Land and Natural Resources, the grantees are required to pay the State the fair market value of the easements as consideration of the use of public lands to be determined by an independent appraisal.

Your Committee has amended this measure by:

- (1) Amending the title to correct a misspelling of Spreckelsville; and
- (2) Making legislative approval contingent upon confirmation by a survey conducted by the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 163, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 163, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1245 Government Operations on S.C.R. No. 54

The purpose and intent of this measure is to request the Procurement Policy Board to:

- (1) Study how the cost of goods, services, and construction have escalated since 1997, considering inflation and other factors;
- (2) Determine a new suggested limit for purchases exempt from small purchase procurement procedures, in light of escalating costs and in accordance with the Legislature's intent in setting the limit at \$25,000 in 1997; and
- (3) Identify additional safeguards, if any, that should be implemented to ensure efficiency, transparency, and accountability in exempt small purchase procurements, should the limit be increased.

Your Committee received comments on this measure from the State Procurement Office and Subcontractors Association of Hawaii.

Your Committee finds that the statutory threshold for procurements exempt from small purchase procurement procedures was adopted in 1997. Over the past eighteen years, costs for goods, services, and construction have all increased substantially. It is prudent to evaluate the statutory limit and determine whether it should be increased to effectuate the Legislature's intent when establishing the \$25,000 threshold in 1997.

Your Committee has amended this measure by:

- (1) Clarifying that small purchase procurements of less than \$100,000 for goods or services or \$250,000 for construction are subject to rule-based small purchase procurement procedures and must be procured through an electronic system, while small purchase procurements of less than \$25,000 are exempt from the electronic system requirements and subject to administrative rules regarding minimum requirements for quotes; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 54, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 54, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1246 Government Operations on S.R. No. 23

The purpose and intent of this measure is to request the Procurement Policy Board to:

- (1) Study how the cost of goods, services, and construction have escalated since 1997, considering inflation and other factors;
- (2) Determine a new suggested limit for purchases exempt from small purchase procurement procedures, in light of escalating costs and in accordance with the Legislature's intent in setting the limit at \$25,000 in 1997; and
- (3) Identify additional safeguards, if any, that should be implemented to ensure efficiency, transparency, and accountability in exempt small purchase procurements, should the limit be increased.

Your Committee received comments on this measure from the State Procurement Office and Subcontractors Association of Hawaii.

Your Committee finds that the statutory threshold for procurements exempt from small purchase procurement procedures was adopted in 1997. Over the past eighteen years, costs for goods, services, and construction have all increased substantially. It is prudent to evaluate the statutory limit and determine whether it should be increased to effectuate the Legislature's intent when establishing the \$25,000 threshold in 1997.

Your Committee has amended this measure by:

- (1) Clarifying that small purchase procurements of less than \$100,000 for goods or services or \$250,000 for construction are subject to rule-based small purchase procurement procedures and must be procured through an electronic system, while small purchase procurements of less than \$25,000 are exempt from the electronic system requirements and subject to administrative rules regarding minimum requirements for quotes; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 23, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 23, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1247 (Joint) Government Operations and Higher Education and the Arts on S.C.R. No. 198

The purpose and intent of this measure is to encourage the University of Hawaii System, in coordination with the Department of Accounting and General Services, to develop a plan to move the administrative offices of the University of Hawaii System from the University of Hawaii at Manoa campus to other state-owned buildings.

Your Committees received testimony in support of this measure from the University of Hawaii System and Department of Accounting and General Services.

Your Committees find that the University of Hawaii System is comprised of ten campuses. While the University of Hawaii System administration serves all campuses, the administrative offices are housed on the University of Hawaii at Manoa campus. By moving administrative offices to a number of campuses, the University of Hawaii System would demonstrate that the ten campuses are equally represented by the University of Hawaii System.

Your Committees have amended this measure by:

- (1) Adding language to note that:
 - (A) The housing of administrative offices on academic campuses impacts instruction and research space available on the campus;
 - (B) Exploratory research conducted by the University of Hawaii System in cooperation with the Department of Accounting and General Services would provide a contemporary and relevant examination of options in the area of space management at the University of Hawaii at Manoa; and
 - (C) The University of Hawaii System is funded through general fund appropriations, has no funds to lease private space, and would require housing in an appropriate state facility; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 198, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 198, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Government Operations
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Higher Education and the Arts

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1248 (Joint) Government Operations and Higher Education and the Arts on S.R. No. 133

The purpose and intent of this measure is to encourage the University of Hawaii System, in coordination with the Department of Accounting and General Services, to develop a plan to move the administrative offices of the University of Hawaii System from the University of Hawaii at Manoa campus to other state-owned buildings.

Your Committees received testimony in support of this measure from the University of Hawaii System and Department of Accounting and General Services.

Your Committees find that the University of Hawaii System is comprised of ten campuses. While the University of Hawaii System administration serves all campuses, the administrative offices are housed on the University of Hawaii at Manoa campus. By moving administrative offices to a number of campuses, the University of Hawaii System would demonstrate that the ten campuses are equally represented by the University of Hawaii System.

Your Committees have amended this measure by:

- (1) Adding language to note that:
 - (A) The housing of administrative offices on academic campuses impacts instruction and research space available on the campus;
 - (B) Exploratory research conducted by the University of Hawaii System in cooperation with the Department of Accounting and General Services would provide a contemporary and relevant examination of options in the area of space management at the University of Hawaii at Manoa; and
 - (C) The University of Hawaii System is funded through general fund appropriations, has no funds to lease private space, and would require housing in an appropriate state facility; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 133, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 133, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Higher Education and the Arts

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1249 Government Operations on S.C.R. No. 190

The purpose and intent of this measure is to request the Department of Accounting and General Services to:

- (1) Inventory all open contracts from 2010 to the present for all state agencies;
- (2) Assist agencies with closing and resolving any disputes; and
- (3) Notify the agencies of whether a private contractor will be receiving payment as a result of closing a contract or resolving a dispute.

Your Committee received testimony in support of this measure from the Subcontractors Association of Hawaii, Building Industry Association of Hawaii, and General Contractors Association of Hawaii.

Your Committee finds that the State depends on private contractors to complete many projects involving consulting, development, and personal services. Change orders and other circumstances may result in a contract being left open longer than anticipated. Contractors are left at a disadvantage due to their bond limits and cash flow constraints. It is necessary that such contractual issues be resolved expeditiously to resolve any disputes, receive quality completed projects on time, and maintain positive relationships with contractors. Making it a priority to close such open contracts is a first step toward those results.

Your Committee has amended this measure by adding language requesting the Department of Accounting and General Services to also identify the reason a contract was open, in an effort to help the parties avoid a similar problem in the future.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 190, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 190, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1250 Government Operations on S.R. No. 125

The purpose and intent of this measure is to request the Department of Accounting and General Services to:

- (1) Inventory all open contracts from 2010 to the present for all state agencies;

- (2) Assist agencies with closing and resolving any disputes; and
- (3) Notify the agencies of whether a private contractor will be receiving payment as a result of closing a contract or resolving a dispute.

Your Committee received testimony in support of this measure from the Subcontractors Association of Hawaii, Building Industry Association of Hawaii, and General Contractors Association of Hawaii.

Your Committee finds that the State depends on private contractors to complete many projects involving consulting, development, and personal services. Change orders and other circumstances may result in a contract being left open longer than anticipated. Contractors are left at a disadvantage due to their bond limits and cash flow constraints. It is necessary that such contractual issues be resolved expeditiously to resolve any disputes, receive quality completed projects on time, and maintain positive relationships with contractors. Making it a priority to close such open contracts is a first step toward those results.

Your Committee has amended this measure by adding language requesting the Department of Accounting and General Services to also identify the reason a contract was open, in an effort to help the parties avoid a similar problem in the future.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 125, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 125, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1251 Government Operations on S.C.R. No. 88

The purpose and intent of this measure is to request the Chief Information Officer to convene a working group to assess the means by which state and county agencies generally notify individuals following a breach of personal information.

Your Committee received comments on this measure from the Office of Information Management and Technology.

Your Committee finds that individual personal information is increasingly stored online or in electronic format. Security breaches that divulge personal information to unauthorized persons often result in identity theft and financial hardship to victims. Identity theft can leave a victim with poor credit, financial losses, and, too often, little recourse. It is important that state agencies take utmost care to protect personal information entrusted to them and exercise best practices when notifying affected persons in the event of a security breach.

Your Committee has amended this measure by:

- (1) Deleting all references to a working group;
- (2) Adding language requesting the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to assess the means by which state and county agencies generally notify individuals following a breach of personal information;
- (3) Adding language requesting the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to research and provide a report to the Legislature with its findings regarding notification procedures in the event of a breach of personal information, software or other electronic programs used to foster improvement of personal information protection, and recommendations of amended or new methods to more securely and promptly provide notification;
- (4) Adding language requesting the Information Privacy and Security Council to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (5) Amending the recipients who are to receive a certified copy; and
- (6) Amending the title to reflect the amended purpose of this measure.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 88, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 88, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1252 Government Operations on S.R. No. 41

The purpose and intent of this measure is to request the Chief Information Officer to convene a working group to assess the means by which state and county agencies generally notify individuals following a breach of personal information.

Your Committee received comments on this measure from the Office of Information Management and Technology.

Your Committee finds that individual personal information is increasingly stored online or in electronic format. Security breaches that divulge personal information to unauthorized persons often result in identity theft and financial hardship to victims. Identity theft can leave a victim with poor credit, financial losses, and, too often, little recourse. It is important that state agencies take utmost care to protect personal information entrusted to them and exercise best practices when notifying affected persons in the event of a security breach.

Your Committee has amended this measure by:

- (1) Deleting all references to a working group;
- (2) Adding language requesting the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to assess the means by which state and county agencies generally notify individuals following a breach of personal information;
- (3) Adding language requesting the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to research and provide a report to the Legislature with its findings regarding notification procedures in the event of a breach of personal information, software or other electronic programs used to foster improvement of personal information protection, and recommendations of amended or new methods to more securely and promptly provide notification;
- (4) Adding language requesting the Information Privacy and Security Council to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (5) Amending the recipients who are to receive a certified copy; and
- (6) Amending the title to reflect the amended purpose of this measure.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 41, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as S.R. No. 41, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1253 (Joint) Health and Human Services and Housing on S.R. No. 58

The purpose and intent of this measure is to request the Department of Human Services to:

- (1) Consider an alternate methodology for establishing the basic prospective payment system rates for intermediate care facilities for individuals with intellectual disabilities;
- (2) Rebase the rates at least every two fiscal years; and
- (3) Increase maximum bed reservation days to twenty-four days per calendar year for hospitalization and other absences of residents from intermediate care facilities for individuals with intellectual disabilities.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, The Arc in Hawaii, and fifty-one individuals. Your Committees received testimony in opposition to this measure from the Department of Human Services.

Your Committees find that providers of services in intermediate care facilities for individuals with intellectual disabilities are compensated by per diem payments under the Medicaid long-term care prospective payment system. The Department of Human Services has made it a practice in recent decades to perform a rebasing of the basic prospective payment system rate so that an intermediate care facility for individuals with intellectual disabilities provider does not have its basic prospective payment system rate calculated by reference to the same base year for more than eight fiscal years, based on cost reports submitted for one or two fiscal years before the rebased rates go into effect.

Your Committees further find that the basic prospective payment system rates in effect for eight years are increasingly insufficient to cover the costs of providing services to the residents of intermediate care facilities for individuals with intellectual disabilities and to compensate the caretakers and others who assist residents at a competitive fair wage. Rebasing the basic prospective payment system rate on a more frequent basis and ensuring a fair annual inflation adjustment would more fairly and accurately represent the cost of services provided in intermediate care facilities for individuals with intellectual disabilities.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 58 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health
Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

Human Services and Housing
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1254 (Joint) Health and Human Services and Housing on S.C.R. No. 104

The purpose and intent of this measure is to request the Department of Human Services to:

- (1) Consider an alternate methodology for establishing the basic prospective payment system rates for intermediate care facilities for individuals with intellectual disabilities;
- (2) Rebase the rates at least every two fiscal years; and
- (3) Increase maximum bed reservation days to twenty-four days per calendar year for hospitalization and other absences of residents from intermediate care facilities for individuals with intellectual disabilities.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, The Arc in Hawaii, and fifty-one individuals. Your Committees received testimony in opposition to this measure from the Department of Human Services.

Your Committees find that providers of services in intermediate care facilities for individuals with intellectual disabilities are compensated by per diem payments under the Medicaid long-term care prospective payment system. The Department of Human Services has made it a practice in recent decades to perform a rebasing of the basic prospective payment system rate so that an intermediate care facility for individuals with intellectual disabilities provider does not have its basic prospective payment system rate calculated by reference to the same base year for more than eight fiscal years, based on cost reports submitted for one or two fiscal years before the rebased rates go into effect.

Your Committees further find that the basic prospective payment system rates in effect for eight years are increasingly insufficient to cover the costs of providing services to the residents of intermediate care facilities for individuals with intellectual disabilities and to compensate the caretakers and others who assist residents at a competitive fair wage. Rebasing the basic prospective payment system rate on a more frequent basis and ensuring a fair annual inflation adjustment would more fairly and accurately represent the cost of services provided in intermediate care facilities for individuals with intellectual disabilities.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 104 and recommend that it be referred to the Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1255 (Joint) Health and Human Services and Housing on S.R. No. 57

The purpose and intent of this measure is to urge the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committees received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, and Hawaii Primary Care Association. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that health is significantly affected by social determinants, even more so than genetic disposition and traditional medical care received.

Your Committees further find that the Legislature adopted H.C.R. No. 146, H.D. 1, during the Regular Session of 2013, establishing a social determinants of health and risk adjustment working group. The working group, which provided valuable insight into issues related to social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals, will cease to exist on June 30, 2015. This measure urges the reestablishment of such a working group until June 30, 2017, to continue examining these issues.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 57 and recommend that it be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1256 (Joint) Health and Human Services and Housing on S.C.R. No. 103

The purpose and intent of this measure is to urge the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committees received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, and Hawaii Primary Care Association. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that health is significantly affected by social determinants, even more so than genetic disposition and traditional medical care received.

Your Committees further find that the Legislature adopted H.C.R. No. 146, H.D. 1, during the Regular Session of 2013, establishing a social determinants of health and risk adjustment working group. The working group, which provided valuable insight into issues related to social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals, will cease to exist on June 30, 2015. This measure urges the reestablishment of such a working group until June 30, 2017, to continue examining these issues.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 103 and recommend that it be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chairs on behalf of the Committees.

Health

Ayes, 4. Noes, none. Excused, 3 (Baker, Wakai, Slom).

Human Services and Housing

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1257 Health on S.R. No. 65

The purpose and intent of this measure is to encourage food service facilities in the State that offer a children's menu of meal options, or a meal that is represented as a children's meal, to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage in the meal or menu option.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Primary Care Association, Hawaii Public Health Institute, American Heart Association, and one individual.

Your Committee finds that in 2013 and 2014, the Childhood Obesity Journal and the National Restaurant Association indicated that more people are likely to select the default option included in a meal price or menu option rather than request an alternative, and seventy-two percent of customers said that they would be more likely to visit a restaurant that offers healthful default options. Furthermore, evidence suggests that children and adolescents who reduce their sugary beverage intake experience significant decreases in weight gain and fat deposits, which reduces the risk of developing diabetes.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 65 and recommends that it be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Riviere).

SCRep. 1258 Health on S.C.R. No. 114

The purpose and intent of this measure is to encourage food service facilities in the State that offer a children's menu of meal options, or a meal that is represented as a children's meal, to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage in the meal or menu option.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Primary Care Association, Hawaii Public Health Institute, American Heart Association, and one individual.

Your Committee finds that in 2013 and 2014, the Childhood Obesity Journal and the National Restaurant Association indicated that more people are likely to select the default option included in a meal price or menu option rather than request an alternative, and seventy-two percent of customers said that they would be more likely to visit a restaurant that offers healthful default options. Furthermore, evidence suggests that children and adolescents who reduce their sugary beverage intake experience significant decreases in weight gain and fat deposits, which reduces the risk of developing diabetes.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 114 and recommends that it be referred to the Committee on Commerce and Consumer Protection.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Riviere).

SCRep. 1259 Health on S.R. No. 95

The purpose and intent of this measure is to request the Department of Health to review and analyze all oral health initiatives currently underway in the State, including the Centers for Disease Control and Prevention (CDC) Oral Health Disease Prevention Program, and prepare a progress report on each initiative.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities and Hawaii Primary Care Association. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that the State needs to improve oral health care, which can result in improved health care and reduced health care costs to the State. The State has begun to leverage a CDC oral health disease prevention program that has provided limited results, including data surveillance, updated data gap assessment, a third grade oral health survey on the use of sealants, establishment of an oral health care advisory group, initial collaboration on other CDC dental initiatives with community stakeholders, and continued recruitment of a state dental director funded by the CDC grant. While the CDC grant does provide useful assistance to the State's oral health assessment and profile, its limited focus does not provide sufficient funding to adequately assess oral health.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 95 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Riviere).

SCRep. 1260 Health on S.C.R. No. 153

The purpose and intent of this measure is to request the Department of Health to review and analyze all oral health initiatives currently underway in the State, including the Centers for Disease Control and Prevention (CDC) Oral Health Disease Prevention Program, and prepare a progress report on each initiative.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities and Hawaii Primary Care Association. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that the State needs to improve oral health care, which can result in improved health care and reduced health care costs to the State. The State has begun to leverage a CDC oral health disease prevention program that has provided limited results, including data surveillance, updated data gap assessment, a third grade oral health survey on the use of sealants, establishment of an oral health care advisory group, initial collaboration on other CDC dental initiatives with community stakeholders, and continued recruitment of a state dental director funded by the CDC grant. While the CDC grant does provide useful assistance to the State's oral health assessment and profile, its limited focus does not provide sufficient funding to adequately assess oral health.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 153 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Riviere).

SCRep. 1261 (Joint) Education and Agriculture on S.C.R. No. 191

The purpose and intent of this measure is to encourage the Department of Education to establish the Hawaii Voluntary Farm to School Program to improve school children's access to nutritious foods in public educational institutions by providing Department of Education Complex Areas with the opportunity and option to purchase locally grown food for schools from food safety certified farms in the State; provided that the respective Complex Area Superintendent authorizes participation in the Hawaii Voluntary Farm to School Program.

Your Committees received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Public Health Institute, Hawaii State Teachers Association, Local Food Coalition, Hawaii Farm to School and School Garden Hui, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Education. Your Committees received comments on this measure from the Office of Hawaiian Affairs and Hawaii Island School Garden Network.

Your Committees find that farm to school programs benefit farmers, children, and the community by using locally grown food in school meals, supporting local agriculture, and encouraging sustainable food practices. Farm to school programs can start small, by locally sourcing even a single product, and can grow from there as the market allows. A voluntary farm to school program will provide flexibility in implementation by providing opportunity for exploring options and feasibility before participating.

Your Committees have amended this measure by:

- (1) Adding language regarding the Department of Education's need for flexibility in implementing a farm to school program due to the challenges presented by the scale of the Department's food service needs and the requirement that farmers participating in the program be food safety certified; and
- (2) Deleting language requiring a Complex Area Superintendent to authorize the Complex Area's participation in the Hawaii Voluntary Farm to School Program.

As affirmed by the records of votes of the members of your Committees on Education and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 191, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 191, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Nishihara, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 1262 (Joint) Education and Agriculture on S.R. No. 126

The purpose and intent of this measure is to encourage the Department of Education to establish the Hawaii Voluntary Farm to School Program to improve school children's access to nutritious foods in public educational institutions by providing Department of Education Complex Areas with the opportunity and option to purchase locally grown food for schools from food safety certified farms in the State; provided that the respective Complex Area Superintendent authorizes participation in the Hawaii Voluntary Farm to School Program.

Your Committees received testimony in support of this measure from the Hawaii Farm Bureau, Hawaii Public Health Institute, Hawaii State Teachers Association, Local Food Coalition, Hawaii Farm to School and School Garden Hui, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Education. Your Committees received comments on this measure from the Office of Hawaiian Affairs and Hawaii Island School Garden Network.

Your Committees find that farm to school programs benefit farmers, children, and the community by using locally grown food in school meals, supporting local agriculture, and encouraging sustainable food practices. Farm to school programs can start small, by locally sourcing even a single product, and can grow from there as the market allows. A voluntary farm to school program will provide flexibility in implementation by providing opportunity for exploring options and feasibility before participating.

Your Committees have amended this measure by:

- (1) Adding language regarding the Department of Education's need for flexibility in implementing a farm to school program due to the challenges presented by the scale of the Department's food service needs and the requirement that farmers participating in the program be food safety certified; and

- (2) Deleting language requiring a Complex Area Superintendent to authorize the Complex Area's participation in the Hawaii Voluntary Farm to School Program.

As affirmed by the records of votes of the members of your Committees on Education and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 126, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 126, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Keith-Agaran, Kouchi, Nishihara, Slom).

Agriculture

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 1263 (Joint) Education and Water and Land on S.C.R. No. 195

The purpose and intent of this measure is to request the Department of Education, State Public Charter School Commission, and Hawaii Public Charter Schools Network to:

- (1) Develop a plan to commission a new study for the purposes of suggesting updates to the school impact fee formula and differentiating land requirements for greenfield and brownfield development; and
- (2) Establish criteria for identifying appropriate locations for vertical school development.

Your Committees received testimony in support of this measure from the Department of Education, State Public Charter School Commission, and Hawaii Public Charter Schools Network.

Your Committees find that traditional school development on large parcels of land is no longer feasible in Honolulu's urban core. Redevelopment of current facilities and new approaches that design schools vertically, similar to other urban architecture, is necessary to meet the needs of a growing urban population. For these purposes, criteria must be developed for vertical school development and school impact fees must be evaluated and differentiated based upon the characteristics of the area developed.

Your Committees note that the term "greyfield development" may also be used to refer to redevelopment of underutilized urban real estate.

Your Committees have amended this measure by:

- (1) Replacing references to "brownfield development" with "redevelopment of urban areas";
- (2) Amending its title in accordance with its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 195, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 195, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1264 (Joint) Education and Water and Land on S.R. No. 130

The purpose and intent of this measure is to request the Department of Education, State Public Charter School Commission, and Hawaii Public Charter Schools Network to:

- (1) Develop a plan to commission a new study for the purposes of suggesting updates to the school impact fee formula and differentiating land requirements for greenfield and brownfield development; and
- (2) Establish criteria for identifying appropriate locations for vertical school development.

Your Committees received testimony in support of this measure from the Department of Education, State Public Charter School Commission, and Hawaii Public Charter Schools Network.

Your Committees find that traditional school development on large parcels of land is no longer feasible in Honolulu's urban core. Redevelopment of current facilities and new approaches that design schools vertically, similar to other urban architecture, is necessary to meet the needs of a growing urban population. For these purposes, criteria must be developed for vertical school development and school impact fees must be evaluated and differentiated based upon the characteristics of the area developed.

Your Committees note that the term "greyfield development" may also be used to refer to redevelopment of underutilized urban real estate.

Your Committees have amended this measure by:

- (1) Replacing references to "brownfield development" with "redevelopment of urban areas";

- (2) Amending its title in accordance with its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 130, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 130, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1265 Education on S.C.R. No. 100

The purpose and intent of this measure is to request the Legislative Reference Bureau, in consultation with the Department of Education and University of Hawaii at Manoa College of Education, to prepare a study that examines and provides recommendations on improving the retention of teachers within the Department of Education.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that there is a shortage of public school teachers within the Department of Education. Over half of newly recruited teachers leave the Department within five years. Teacher retention is key to achieving the State's educational goals, and a better understanding of the causes of teacher turnover is critical to developing and implementing policies to improve teacher retention.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 100 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1266 Education on S.R. No. 54

The purpose and intent of this measure is to request the Legislative Reference Bureau, in consultation with the Department of Education and University of Hawaii at Manoa College of Education, to prepare a study that examines and provides recommendations on improving the retention of teachers within the Department of Education.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that there is a shortage of public school teachers within the Department of Education. Over half of newly recruited teachers leave the Department within five years. Teacher retention is key to achieving the State's educational goals, and a better understanding of the causes of teacher turnover is critical to developing and implementing policies to improve teacher retention.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 54 and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1267 Judiciary and Labor on S.R. No. 33

The purpose and intent of this measure is to declare April 24 as a day of remembrance in recognition and commemoration of the Armenian genocide of 1915.

Your Committee received testimony in support of this measure from ten individuals.

Your Committee finds that during the chaos of World War I between the years 1915 and 1923, approximately 1,500,000 Armenian men, women, and children living within the Ottoman Empire's borders were killed in a brutal genocide. Hundreds of thousands of Armenians were forced to flee to foreign countries after being stripped of their possessions, national identities, and homeland. This is documented as the first instance of genocide in the twentieth century. This measure reflects H.R. No. 192, H.D. 1 (Regular Session of 2009), which declared April 24 as a day of remembrance of those who perished in the Armenian genocide of 1915 to ensure that this inhumanity is never forgotten or repeated.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 33 and recommends that it be referred to the Committee on Higher Education and the Arts.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1268 Judiciary and Labor on S.C.R. No. 73

The purpose and intent of this measure is to declare April 24 as a day of remembrance in recognition and commemoration of the Armenian genocide of 1915.

Your Committee received testimony in support of this measure from ten individuals.

Your Committee finds that during the chaos of World War I between the years 1915 and 1923, approximately 1,500,000 Armenian men, women, and children living within the Ottoman Empire's borders were killed in a brutal genocide. Hundreds of thousands of Armenians were forced to flee to foreign countries after being stripped of their possessions, national identities, and homeland. This is documented as the first instance of genocide in the twentieth century. This measure reflects H.R. No. 192, H.D. 1 (Regular Session of 2009), which declared April 24 as a day of remembrance of those who perished in the Armenian genocide of 1915 to ensure that this inhumanity is never forgotten or repeated.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 73 and recommends that it be referred to the Committee on Higher Education and the Arts.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1269 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.C.R. No. 150

The purpose and intent of this measure is to request the:

- (1) Federal Bureau of Investigation to report crimes of domestic violence under the Uniform Crime Reporting System;
- (2) Research and Statistics Branch of the Department of the Attorney General to work with the Federal Bureau of Investigation to pursue the reporting of crimes related to domestic violence as a separate Group A offense;
- (3) Department of the Attorney General to work with county police departments to develop an annual report to provide statistics of crimes and offenses relating to domestic violence in Hawaii; and
- (4) Department of the Attorney General to report to the Legislature its efforts and progress made in designated crimes and offenses relating to domestic violence as reportable offenses under the Uniform Crime Reporting program.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Domestic Violence Action Center.

Your Committees find that under the Uniform Crime Reporting program, the Federal Bureau of Investigation compiles data from states on every incident and arrest in Group A offenses that consist of forty-six specific crimes in twenty-two offense categories. However, there is currently no classification in the Uniform Crime Reporting program for crimes or offenses of domestic violence. Statistical data on crimes and offenses of domestic violence will allow policymakers to make educated decisions regarding resources that should be directed toward domestic violence.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 150 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Espero).
Judiciary and Labor
Ayes, 5. Noes, none. Excused, 2 (Espero, Thielen).

SCRep. 1270 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on S.R. No. 92

The purpose and intent of this measure is to request the:

- (1) Federal Bureau of Investigation to report crimes of domestic violence under the Uniform Crime Reporting System;
- (2) Research and Statistics Branch of the Department of the Attorney General to work with the Federal Bureau of Investigation to pursue the reporting of crimes related to domestic violence as a separate Group A offense;
- (3) Department of the Attorney General to work with county police departments to develop an annual report to provide statistics of crimes and offenses relating to domestic violence in Hawaii; and
- (4) Department of the Attorney General to report to the Legislature its efforts and progress made in designated crimes and offenses relating to domestic violence as reportable offenses under the Uniform Crime Reporting program.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Domestic Violence Action Center.

Your Committees find that under the Uniform Crime Reporting program, the Federal Bureau of Investigation compiles data from states on every incident and arrest in Group A offenses that consist of forty-six specific crimes in twenty-two offense categories. However, there is currently no classification in the Uniform Crime Reporting program for crimes or offenses of domestic violence. Statistical data on crimes and offenses of domestic violence will allow policymakers to make educated decisions regarding resources that should be directed toward domestic violence.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 92 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Espero).

Judiciary and Labor
Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 1271 Judiciary and Labor on S.C.R. No. 40

The purpose and intent of this measure is to:

- (1) Request the Campaign Spending Commission to study other jurisdictions with regard to placing a cap of \$250 on campaign contributions per contributor per election and a process for refunding campaign contributions; and
- (2) Request that the Campaign Spending Commission report its findings and recommendations, including any proposed legislation, to the Legislature prior to the Regular Session of 2016.

Your Committee received testimony in support of this measure from four individuals.

Your Committee finds that members of the public have expressed concern over large contributions being made to political campaigns in Hawaii by individuals and organizations. There can be an appearance of unfairness when an individual or organization contributes a substantial sum of money to a political campaign that most other individuals and organizations are unable to contribute. This measure helps to create a level playing field for elections in the State.

Your Committee further finds that members of the public have also expressed dissatisfaction over situations in which they made a political contribution based on assurances made by a candidate, and subsequently that candidate took an opposing position. This measure helps to establish a process for refunding campaign contributions in those situations.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 40, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 40, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1272 Judiciary and Labor on S.C.R. No. 98

The purpose and intent of this measure is to:

- (1) Request the Judiciary to conduct a study to identify traffic offenses and crimes, petty misdemeanor offenses, and misdemeanor offenses that cause a disproportionate workload for the Judiciary and may be appropriate for decriminalization as infractions;
- (2) Request the Judiciary to report to the Legislature prior to the Regular Session of 2016 its findings and recommendations, including any proposed legislation; and
- (3) Request the Legislative Reference Bureau to assist the Judiciary in drafting any proposed legislation as a result of the Judiciary's study.

Your Committee received testimony in support of this measure from the Office of the Public Defender and one individual. Your Committee received comments on this measure from the Judiciary and Legislative Reference Bureau.

Your Committee finds that there are numerous traffic offenses and crimes, petty misdemeanor offenses, and misdemeanor offenses that require a court appearance by a defendant that could be decriminalized to reduce the necessity for arraignments, allow disposition of uncontested violations by mail, and provide informal hearings where the violation or the proposed penalty is questioned. This measure requests the Judiciary to conduct a study to identify these offenses and violations that may be appropriate for decriminalization as infractions to streamline the handling of those cases and achieve a more expeditious system for the judicial processing of these violations.

Your Committee notes the comments submitted by the Judiciary requesting further clarification and specificity regarding the types of offenses that may be appropriate for decriminalization. Furthermore, your Committee notes the concerns raised by the Judiciary that stated the Judiciary is capable of providing the Legislature with data regarding the case types and adjudication of those cases for the last four years, a determination of which offenses are appropriate for decriminalization is a policy decision that falls within the purview of the Legislature. Thus, the Judiciary testified that it did not believe that it would be suitable for the Judiciary to propose any legislation to decriminalize certain offenses.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language that states that the Judiciary is uniquely suited to provide data, rather than review, its own district court daily dockets and calendars to identify the types of cases that may be better adjudicated without a court appearance;
- (2) Requesting that in conducting its study, the Judiciary collaborate with stakeholders, including the Prosecuting Attorneys of each county and State Public Defender;

- (3) Deleting language that requests the Judiciary to include any proposed legislation with its findings and recommendations;
- (4) Deleting language that requests the Legislative Reference Bureau to assist the Judiciary in drafting any proposed legislation as a result of the Judiciary's study on certain offenses that may be appropriate for decriminalization as infractions; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 98, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 98, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1273 Tourism and International Affairs on S.C.R. No. 102

The purpose and intent of this measure is to support the Republic of Korea's efforts toward peaceful reunification of the Korean Peninsula and urge the Democratic People's Republic of Korea to engage in sincere reunification dialogue with the Republic of Korea.

Your Committee received testimony in support of this measure from the National Unification Advisory Council, Hawaii Chapter and three individuals.

Your Committee finds that dialogue amongst the people of Korea is crucial to any further efforts toward reunification of the Korean Peninsula. Reunification of the Peninsula would be more likely to bring peace, stability, and accord between the people of South and North Korea.

Your Committee has amended this measure by:

- (1) Deleting language expressing support for the Republic of Korea's efforts toward peaceful reunification and urging the Democratic People's Republic of Korea to engage in sincere reunification dialogue;
- (2) Inserting language to urge the people of Korea to engage in dialogue regarding the peaceful reunification of the Korean Peninsula;
- (3) Amending the title to reflect the amended purpose;
- (4) Amending various findings; and
- (5) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 102, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 102, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1274 Water and Land on S.R. No. 36

The purpose and intent of this measure is to urge the Department of Land and Natural Resources to:

- (1) Establish a comprehensive program for protecting native 'Iliahi trees;
- (2) Invest in efforts to replant 'Iliahi trees so that these endangered native species thrive once again in Hawaii; and
- (3) Prohibit the export from the State of raw or unprocessed timber of any native 'Iliahi tree species.

Your Committee received testimony in support of this measure from the Conservation Council for Hawai'i, Diamond Head Scenic Byway Committee, Hawaiian Alliance, Kanehili Cultural Hui, Forest Agriculture Research Management Center, and twenty individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Hawaiian Reforestation Program.

Your Committee finds that 'Iliahi, or Hawaiian Sandalwood, is an endemic and endangered native Hawaiian tree. The 'Iliahi species have many medicinal and ornamental uses, and the wood of 'Iliahi trees has been prized and harvested for centuries. 'Iliahi wood was exported from Hawaii in great amounts during the early 1800s, nearly making these native species extinct. According to testimony, Hawaii has one-quarter of the world's sandalwood trees.

Your Committee has amended this measure by deleting a reference that urged the Department of Land and Natural Resources to prohibit the export from the State of 'Iliahi timber because the Department does not have the legal authority to prohibit exports of a product.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 36, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 36, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Shimabukuro, Slom).

SCRep. 1275 Water and Land on S.C.R. No. 76

The purpose and intent of this measure is to urge the Department of Land and Natural Resources to:

- (1) Establish a comprehensive program for protecting native 'Iliahi trees;
- (2) Invest in efforts to replant 'Iliahi trees so that these endangered native species thrive once again in Hawaii; and
- (3) Prohibit the export from the State of raw or unprocessed timber of any native 'Iliahi tree species.

Your Committee received testimony in support of this measure from the Conservation Council for Hawai'i, Diamond Head Scenic Byway Committee, Hawaiian Alliance, Kanehili Cultural Hui, Forest Agriculture Research Management Center, and twenty individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Hawaiian Reforestation Program.

Your Committee finds that 'Iliahi, or Hawaiian Sandalwood, is an endemic and endangered native Hawaiian tree. The 'Iliahi species have many medicinal and ornamental uses, and the wood of 'Iliahi trees has been prized and harvested for centuries. 'Iliahi wood was exported from Hawaii in great amounts during the early 1800s, nearly making these native species extinct. According to testimony, Hawaii has one-quarter of the world's sandalwood trees.

Your Committee has amended this measure by deleting a reference that urged the Department of Land and Natural Resources to prohibit the export from the State of 'Iliahi timber because the Department does not have the legal authority to prohibit exports of a product.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 76, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Shimabukuro, Slom).

SCRep. 1276 (Joint) Water and Land and Human Services and Housing on S.R. No. 121

The purpose and intent of this measure is to encourage the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments to adopt and implement the twenty-one recommendations highlighted in the Building Health Places Toolkit report by the Urban Land Institute.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Your Committees received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii. Your Committees received comments on this measure from the Hawaii Community Development Authority.

Your Committees find that physical activity, access to healthy food and drinking water, and exposure to a healthy environment with a high degree of social interaction are three components that will prolong life expectancy and assure a better quality of life. Incorporating a mix of land uses, designing well connected street networks at the human scale, providing sidewalks and enticing pedestrian-oriented streetscapes, providing infrastructure to support biking, designing visible and enticing stairs to encourage frequent use, installing stair prompts and signage, providing high-quality spaces for multigenerational play and recreation, and building play spaces for children are qualities that promote physical activity. The design of an environment that promotes physical activity, access to healthy food and drinking water, and exposure to a healthy environment is a key element in combating the risk factors for chronic disease.

The Urban Land Institute's Building Healthy Places Toolkit contains Strategies for Enhancing Health in the Built Environment, which outlines evidence-supported opportunities for enhancing health outcomes in real estate developments. Developers, owners, property managers, designers, investors, and others involved in real estate decision making can use the report's recommendations and strategies to create places that contribute to healthier people and communities, and to enhance and preserve value by meeting growing desires for health-promoting places.

Your Committees have amended this measure by:

- (1) Inserting language to encourage the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments to seek public and professional input and consult and collaborate with stakeholders most affected by the Urban Land Institute's Building Healthy Places Toolkit report;
- (2) Clarifying that the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments are encouraged to adopt and implement the twenty-one recommendations highlighted in the Building Health Places Toolkit report by the Urban Land Institute, or similar policies that provide a comprehensive approach to land use and development that strengthen community health and smart growth principles;
- (3) Amending the title of this measure to accurately reflect the amendments; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 121, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 121, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 6. Noes, none. Excused, 1 (Slom).

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1277 (Joint) Water and Land and Human Services and Housing on S.C.R. No. 186

The purpose and intent of this measure is to encourage the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments to adopt and implement the twenty-one recommendations highlighted in the Building Healthy Places Toolkit report by the Urban Land Institute.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Your Committees received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii. Your Committees received comments on this measure from the Hawaii Community Development Authority.

Your Committees find that physical activity, access to healthy food and drinking water, and exposure to a healthy environment with a high degree of social interaction are three components that will prolong life expectancy and assure a better quality of life. Incorporating a mix of land uses, designing well connected street networks at the human scale, providing sidewalks and enticing pedestrian-oriented streetscapes, providing infrastructure to support biking, designing visible and enticing stairs to encourage frequent use, installing stair prompts and signage, providing high-quality spaces for multigenerational play and recreation, and building play spaces for children are qualities that promote physical activity. The design of an environment that promotes physical activity, access to healthy food and drinking water, and exposure to a healthy environment is a key element in combating the risk factors for chronic disease.

The Urban Land Institute's Building Healthy Places Toolkit contains Strategies for Enhancing Health in the Built Environment, which outlines evidence-supported opportunities for enhancing health outcomes in real estate developments. Developers, owners, property managers, designers, investors, and others involved in real estate decision making can use the report's recommendations and strategies to create places that contribute to healthier people and communities, and to enhance and preserve value by meeting growing desires for health-promoting places.

Your Committees have amended this measure by:

- (1) Inserting language to encourage the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments to seek public and professional input and consult and collaborate with stakeholders most affected by the Urban Land Institute's Building Healthy Places Toolkit report;
- (2) Clarifying that the Office of Planning, Land Use Commission, Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, and county planning departments are encouraged to adopt and implement the twenty-one recommendations highlighted in the Building Healthy Places Toolkit report by the Urban Land Institute, or similar policies that provide a comprehensive approach to land use and development that strengthen community health and smart growth principles;
- (3) Amending the title of this measure to accurately reflect the amendments; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 186, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 186, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land
Ayes, 6. Noes, none. Excused, 1 (Slom).

Human Services and Housing
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1278 (Majority) Energy and Environment on S.C.R. No. 164

The purpose and intent of this measure is to:

- (1) Request the convening of a Climate Change and Health Working Group to assess the scope and risks of climate change on the health of Hawaii's residents and to develop a strategic plan to address climate change risks to health statewide; and
- (2) Request that the Climate Change and Health Working Group submit a report, to be prepared and drafted by the Department of Health, of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Office of Environmental Quality Control, Office of Planning, Hawaii Public Health Association, and two individuals.

Your Committee finds that climate change, together with other natural and human-made health stressors, influences human health and disease in many ways. As a result of climate change, some existing health threats will intensify, and in other cases, new health threats will emerge. In 2014, the State's public health workers expressed a desire to help address the effects of climate change on health. However, most public health workers feel that they lack the specific expertise, knowledge, or skills to do so. Recognizing that climate change is one of the most significant public health issues, a coordinated public health response is needed to discuss emerging and perceived threats while also providing public health workers with the necessary education, skills, and resources.

Your Committee has amended this measure by:

- (1) Eliminating language stating that certified copies be transmitted to other identified agencies in health care and public health; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 164, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 164, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1279 (Majority) Energy and Environment on S.R. No. 100

The purpose and intent of this measure is to:

- (1) Request the convening of a Climate Change and Health Working Group to assess the scope and risks of climate change on the health of Hawaii's residents and to develop a strategic plan to address climate change risks to health statewide; and
- (2) Request that the Climate Change and Health Working Group submit a report, to be prepared and drafted by the Department of Health, of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Office of Environmental Quality Control, Office of Planning, Hawaii Public Health Association, and two individuals.

Your Committee finds that climate change, together with other natural and human-made health stressors, influences human health and disease in many ways. As a result of climate change, some existing health threats will intensify, and in other cases, new health threats will emerge. In 2014, the State's public health workers expressed a desire to help address the effects of climate change on health. However, most public health workers feel that they lack the specific expertise, knowledge, or skills to do so. Recognizing that climate change is one of the most significant public health issues, a coordinated public health response is needed to discuss emerging and perceived threats while also providing public health workers with the necessary education, skills, and resources.

Your Committee has amended this measure by:

- (1) Eliminating language stating that certified copies be transmitted to other identified agencies in health care and public health; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 100, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 100, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1280 Water and Land on S.C.R. No. 106

The purpose and intent of this measure is to establish a task force to identify parcels of urban shoreline in Kaka'ako Makai in coordination with the "lei of green" policy recognized in the Kaka'ako Makai vision and guiding principles and the master plan for Kaka'ako Makai adopted by the Hawaii Community Development Authority in 2011.

Your Committee received testimony in support of this measure from the Kaka'ako Makai Community Planning Advisory Council, Sierra Club of O'ahu, Kaka'ako United, Friends of Kewalo, Hawaii's Thousand Friends, and thirteen individuals. Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii. Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that the creation of the "lei of green" concept as a Honolulu urban planning component was established by Governor George Ariyoshi's administration in 1979. The current Kaka'ako Makai shoreline area is a vital "lei of green" connection between Honolulu's Diamond Head and Aloha Tower. The vision and guiding principles of the Kaka'ako Makai Master Plan establish the Kaka'ako Makai shoreline area as a community gathering place that incorporates green park recreational open spaces, cultural and educational public facilities in a park setting, and small boat harbor waterfront commercial uses.

According to testimony of the Kaka'ako Makai Community Planning Advisory Council, during the Kaka'ako Makai planning process in 2011, the "Lei of Green" policy, also known as the "Lei of the Land" and "Lei of Parks", was a compelling planning objective. Many stakeholders and community groups supported this policy, which was an essential part of the Kaka'ako Makai Vision and Guiding Principles and Kaka'ako Makai Master Plan of the Hawaii Community Development Authority. However, the Kaka'ako Makai stakeholders, Kaka'ako community groups, park user groups, and individuals have voiced concerns over the Hawaii Community Development Authority's implementation process. The task force would provide the public with a forum to review the implementation of the planning that has been done for Kaka'ako Makai.

Your Committee has amended this measure by:

- (1) Adding the Office of Hawaiian Affairs to the task force since it owns a large portion of the subject land, pursuant to Act 15, Session Laws of Hawaii 2012, and adding the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs to the list of entities to receive certified copies;

- (2) Clarifying that others who may be deemed appropriate to serve as task force members could include long-term lessees; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 106, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 106, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1281 Government Operations on S.R. No. 101

The purpose and intent of this measure is to support the co-naming of a section of 33rd Street in New York City to Father Damien Way in honor of Saint Damien de Veuster.

Your Committee received testimony in support of this measure from the Hawaii Catholic Conference, Halawai, and three individuals.

Your Committee finds that Father Damien is a revered figure in Hawaiian history. He devoted his life to caring for patients with Hansen's disease on Molokai. Even after contracting the disease himself, he continued his work there, building hospitals, clinics, and churches, and ensuring coffins were assembled for the people of the colony. Father Damien died on Molokai among his fellow patients and congregation, and was later canonized as Saint Damien De Veuster, patron saint of people with Hansen's disease. The co-naming of 33rd Street in New York City to Father Damien Way should be supported as a means of sharing Father Damien's legacy of selflessness and advocacy for compassionate care.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 101, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 101, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1282 Government Operations on S.C.R. No. 165

The purpose and intent of this measure is to support the co-naming of a section of 33rd Street in New York City to Father Damien Way in honor of Saint Damien de Veuster.

Your Committee received testimony in support of this measure from the Hawaii Catholic Conference, Halawai, and three individuals.

Your Committee finds that Father Damien is a revered figure in Hawaiian history. He devoted his life to caring for patients with Hansen's disease on Molokai. Even after contracting the disease himself, he continued his work there, building hospitals, clinics, and churches, and ensuring coffins were assembled for the people of the colony. Father Damien died on Molokai among his fellow patients and congregation, and was later canonized as Saint Damien De Veuster, patron saint of people with Hansen's disease. The co-naming of 33rd Street in New York City to Father Damien Way should be supported as a means of sharing Father Damien's legacy of selflessness and advocacy for compassionate care.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 165, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 165, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1283 (Joint) Government Operations and Higher Education and the Arts on S.R. No. 103

The purpose and intent of this measure is to establish a task force within the Department of Accounting and General Services to plan and coordinate the celebration of the fiftieth anniversary of the Hawaii State Capitol.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and Center for Hawaiian Sovereignty Studies.

Your Committees find that March 15, 2019, will mark the fiftieth anniversary of the Hawaii State Capitol. The Hawaii State Capitol is a unique and architecturally significant structure and should be celebrated for its five decades in service. A task force established to plan the celebration is a positive step toward a successful commemoration of the Hawaii State Capitol's fiftieth year.

Your Committees have amended this measure by:

- (1) Adding language to request the President of the Senate and Speaker of the House of Representatives to select, of the three appointments they make to the task force, at least one member from their respective legislative bodies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 103, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 103, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1284 (Joint) Government Operations and Higher Education and the Arts on S.C.R. No. 167

The purpose and intent of this measure is to establish a task force within the Department of Accounting and General Services to plan and coordinate the celebration of the fiftieth anniversary of the Hawaii State Capitol.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and Center for Hawaiian Sovereignty Studies.

Your Committees find that March 15, 2019, will mark the fiftieth anniversary of the Hawaii State Capitol. The Hawaii State Capitol is a unique and architecturally significant structure and should be celebrated for its five decades in service. A task force established to plan the celebration is a positive step toward a successful commemoration of the Hawaii State Capitol's fiftieth year.

Your Committees have amended this measure by:

- (1) Adding language to request the President of the Senate and Speaker of the House of Representatives to select, of the three appointments they make to the task force, at least one member from their respective legislative bodies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 167, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 167, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1285 Government Operations on S.R. No. 14

The purpose and intent of this measure is to request the Governor to order that the flag of Hawaii be exclusively flown over state buildings on January 17 of each year.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hookipa Network Kauai, Center for Hawaiian Sovereignty Studies, and seventeen individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that Governor John Waihee III ordered the Hawaii flag to be flown exclusively over state buildings on January 17, 1993, in commemoration of the 100-year anniversary of the overthrow of the Hawaiian monarchy. The display acknowledged the United States' involvement in the overthrow and was viewed as a display of respect by the State to the Hawaiian monarchy. The exclusive display of the flag of Hawaii on January 17 of each year would serve as an annual reminder of the overthrow of the Kingdom of Hawaii.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 14 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1286 Government Operations on S.C.R. No. 39

The purpose and intent of this measure is to request the Governor to order that the flag of Hawaii be exclusively flown over state buildings on January 17 of each year.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hookipa Network Kauai, Center for Hawaiian Sovereignty Studies, and seventeen individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that Governor John Waihee III ordered the Hawaii flag to be flown exclusively over state buildings on January 17, 1993, in commemoration of the 100-year anniversary of the overthrow of the Hawaiian monarchy. The display acknowledged the United States' involvement in the overthrow and was viewed as a display of respect by the State to the Hawaiian monarchy. The exclusive display of the flag of Hawaii on January 17 of each year would serve as an annual reminder of the overthrow of the Kingdom of Hawaii.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 39 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1287 Judiciary and Labor on S.R. No. 19

The purpose and intent of this measure is to request the federal Drug Enforcement Agency to initiate rescheduling proceedings to remove marijuana as a schedule I controlled substance under the federal Controlled Substances Act.

Your Committee received testimony in support of this measure from the American Civil Liberties Union of Hawaii, Libertarian Party of Hawaii, Community Alliance on Prisons, The Drug Policy Action Group, The Drug Policy Forum, and three individuals. Your Committee received testimony in opposition to this measure from the Police Department, City and County of Honolulu and Department of the Prosecuting Attorney, County of Maui.

Your Committee finds that marijuana is a federal schedule I controlled substance under the federal Controlled Substances Act. To be listed as a schedule I controlled substance several findings are required, including that the controlled substance has no currently accepted medical use in treatment in the United States. However, your Committee notes that in 2000, Hawaii created the State's medical marijuana program and accepted the medical use of marijuana in treatment. As a result, the federal Drug Enforcement Administration's classification of marijuana as a federal schedule I controlled substance is contrary to Hawaii's currently accepted medical use of marijuana in treatment and prevents Hawaii from creating a state regulated distribution system that complies with federal law. This measure seeks to initiate rescheduling proceedings to remove marijuana as a schedule I controlled substance under the federal Controlled Substances Act so that state medical marijuana programs, such as Hawaii's medical marijuana program, can be lawfully implemented and recognized under federal law.

Your Committee has amended this measure by:

- (1) Deleting language, including in its title, that states that marijuana does not meet the criteria of a federal schedule I controlled substance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 19, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 19, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1288 Judiciary and Labor on S.C.R. No. 45

The purpose and intent of this measure is to request the federal Drug Enforcement Agency to initiate rescheduling proceedings to remove marijuana as a schedule I controlled substance under the federal Controlled Substances Act.

Your Committee received testimony in support of this measure from the American Civil Liberties Union of Hawaii, Libertarian Party of Hawaii, Community Alliance on Prisons, The Drug Policy Action Group, The Drug Policy Forum, and three individuals. Your Committee received testimony in opposition to this measure from the Police Department, City and County of Honolulu and Department of the Prosecuting Attorney, County of Maui.

Your Committee finds that marijuana is a federal schedule I controlled substance under the federal Controlled Substances Act. To be listed as a schedule I controlled substance several findings are required, including that the controlled substance has no currently accepted medical use in treatment in the United States. However, your Committee notes that in 2000, Hawaii created the State's medical marijuana program and accepted the medical use of marijuana in treatment. As a result, the federal Drug Enforcement Administration's classification of marijuana as a federal schedule I controlled substance is contrary to Hawaii's currently accepted medical use of marijuana in treatment and prevents Hawaii from creating a state regulated distribution system that complies with federal law. This measure seeks to initiate rescheduling proceedings to remove marijuana as a schedule I controlled substance under the federal Controlled Substances Act so that state medical marijuana programs, such as Hawaii's medical marijuana program, can be lawfully implemented and recognized under federal law.

Your Committee has amended this measure by:

- (1) Deleting language, including in its title, that states that marijuana does not meet the criteria of a federal schedule I controlled substance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 45, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 45, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1289 Water and Land on Gov. Msg. No. 515

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY TO THE CHAIRPERSON OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES

G.M. No. 515 KEOA KALUHIWA, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Kekoa Kaluhiwa to possess the requisite qualifications to be nominated for the position of Deputy to the Chairperson of the Board of Land and Natural Resources.

Your Committee received testimony in support of Kekoa Kaluhiwa from Governor David Y. Ige; United States Senator Brian Schatz; Former United States Senator Daniel K. Akaka; Department of Land and Natural Resources; Department of Transportation; Department of Human Services; Department of Agriculture; Department of Budget and Finance; Agribusiness Development Corporation; Aha Moku Advisory Committee; Koolau Foundation; Horizon Lines, LLC; Kakoo Oiwi; SunEdison; Hawaii Laborers-Employers Cooperation and Education Trust; Ku'iwalu; United Public Workers; Hawaii Goes Fishing; Building Industry Association of Hawaii (BIA-Hawaii); William Claude & Ma'ema'e Jones Ohana; Ali'i Pauahi Hawaiian Civic Club; Cockett Communications Inc.; Young Brothers, Limited; Waimea Valley Hi'ipaka LLC; Hawaii Sportsmen's Alliance; General Contractors Association of Hawaii; Hawaii Pilots Association; Koolaupoko Hawaiian Civic Club; Hawaii Masons' Union Local #1 IUBAC; Hoomana Pono LLC; Chamber of Commerce Hawaii; and numerous individuals. Your Committee received testimony in opposition to Kekoa Kaluhiwa from eighteen individuals.

Kekoa Kaluhiwa received a Master's degree in Public Administration from the University of Hawaii at Manoa. He received a Bachelor of Arts in Political Science with a minor in Society & Justice from the University of Washington. He was a Master's degree candidate and Housing and Urban Development Fellow at the Daniel J. Evans School of Public Affairs at the University of Washington from June 1998 to May 1999. Mr. Kaluhiwa was the Principal with Kuano'o Communications LLC, from December 2012 to January 2015 where he provided government and public relations strategies to help clients achieve desired outcomes, including legislative lobbying, bill tracking, drafting testimony, media monitoring, state permitting facilitation, and strategic community outreach planning. He helped clients to understand the unique cultural and environmental challenges of doing business in Hawaii. The nominee has previous experience working for First Wind Energy as Director of External Affairs; Intern and then Executive Assistant in the Office of United States Senator Daniel K. Akaka; Graduate Intern with the Land Assets Division of Kamehameha Schools; and Fellow with the United States Department of Housing and Urban Development in Seattle, Washington.

Your Committee notes from Mr. Kaluhiwa's answers to the questionnaire that he believes the core state values that the Department of Land and Natural Resources is charged with include the tenets:

- (1) To enhance, protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources, and to promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of self-sufficiency of the State; and that these values represent who we are as a people;
- (2) To preserve and protect customary and traditional practices of native Hawaiians;
- (3) To maintain the public's right to access ancient trails, navigable waters, and shoreline lands, under the public trust doctrine; and
- (4) To hold lands under the Admissions Act as a public trust for native Hawaiians and the general public.

Testimony indicates that Mr. Kaluhiwa has gained land management experience while serving as a Graduate Intern at the Kamehameha Schools. He served as a volunteer with the Department of Land and Natural Resources Hunter Education Program and is familiar with the state hunting laws, and he understands the need for ungulate control as part of an effective land management strategy. As a lifelong resident of Kane'ohe and as someone who grew up spearfishing and canoe paddling, he knows firsthand the important relationship of the mountain watersheds to the health of our oceans and everything in between.

Your Committee further notes that Mr. Kaluhiwa states in his personal statement: "From an early age, my kūpuna and parents taught me the importance of being humble, compassionate, respectful, and to lead by example. As I join the DLNR 'ohana, I aspire to be a good listener, a collaborator, and a servant leader." His oral testimony indicates that he believes in seeking community input to reach a balance of interests in every situation. To achieve this, he listens to people, meets with them, and talks to them about their ideas and concerns. He believes in fostering collaboration among stakeholders who may have different issues and interests.

In responding to written comments opposing his nomination on the grounds of inexperience and with regard to the fact that he represented development interests, Mr. Kaluhiwa testified that his experience in the public and private sectors, as well as his belief in collaboration in dealing with others, gives him unique qualities that make up for any lack of experience. The nominee further testified that he will address issues concerning development by adhering to his "first interest" which is to lead the Department of Land and Natural Resources to fulfill its mission and mandates. He will seek community input on development proposals and seek to ensure that any development is "done right".

As to management of the Department of Land and Natural Resources, the nominee believes he must first earn the respect of the employees; secondly, identify areas where the department is effective and where it could improve and the resources it needs to do so; and third, seek balance in all things concerning employees' work life and family life.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1290 Water and Land on Gov. Msg. Nos. 540, 541, and 542

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF LAND AND NATURAL RESOURCES

G.M. No. 540 ULALIA WOODSIDE, for a term to expire 6-30-2017 (as amended by GM543);

G.M. No. 541 CHRISTOPHER J. YUEN, for a term to expire 6-30-2017 (term amended to 6-30-2018 by GM544); and

G.M. No. 542 KEITH K. DOWNING, for a term to expire 6-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Ulalia Woodside, Christopher J. Yuen, and Keith K. Downing to possess the requisite qualifications to be nominated to the Board of Land and Natural Resources.

ULALIA WOODSIDE

Your Committee received testimony in support of Ulalia Woodside from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Aha Moku Advisory Committee; Ko'olaupoko Hawaiian Civic Club; National Tropical Botanical Garden; Kai Kompany; Na Kua'aina O Waimanalo; 'Aha Kāne Foundation; The Trust for Public Land; Ko'olau Foundation; Conservation Council for Hawai'i; The Nature Conservancy; Kama'aha Education Initiative; Enterprise Honolulu; MW Commercial Realty, Inc; and numerous individuals.

Ulalia Woodside received a Bachelor of Arts degree in Political Science, a Bachelor of Arts degree in Hawaiian Studies, and a Certificate in Hawaiian Language from the University of Hawaii at Manoa. She is employed by the Kamehameha Schools as a Regional Assets Manager, Natural and Cultural Resources, in the Endowment Group – Land Assets Division, and previously was a Planner with the Wilson Okamoto Corporation. The nominee was a Land Agent, Administrative Assistant, and Student Intern with the Department of Land and Natural Resources from July 1988 to November 1995. She has been a member of the Hawai'i Conservation Alliance Executive Committee, Hawai'i Green Growth Steering Committee, Natural Area Reserves System Commission, Landscape Conservation Cooperative National Council, and Pacific Islands Climate Change Cooperative. She is currently an Interim Board Member of the Board of Land and Natural Resources.

Your Committee notes that Ms. Woodside understands that Hawaii's independence and sustainability depend on the prosperity of our land and resources and that 'āina is what feeds and nurtures us physically and spiritually. Referring to the constitutional mandate of the State to hold in trust all public natural resources for the benefit of the people, she notes in her personal statement, "These words embody the value of mālama and speak to intergenerational equity. By heeding this direction in its work, the department will help ensure that the natural and cultural resources that make Hawai'i unique are cared for, and that our future generations will have the opportunities to use and experience those treasures as well."

Testimony indicated that as the Regional Asset Manager for Natural and Cultural Resources at Kamehameha Schools' Land Assets Division, the nominee has consistently provided wise counsel about a broad spectrum of land management issues. She has significant experience with access issues, the reciprocal relationship between 'āina and people, land valuation, best conservation management practices, and the competing land use needs and desires of Hawai'i's people. Ms. Woodside also has a deep understanding and appreciation for Hawai'i's cultural practices and the values of aloha 'āina (love of the land) and mālama 'āina (care for the land).

Your Committee further notes that the nominee believes the Department of Land and Natural Resources can focus on "increased collaborations across other sectors like agriculture or tourism, in both public and private sectors, to pool resources and effort. By finding common ground with other sectors in our community, we may identify areas where we are interdependent, and where we could more efficiently achieve our goals by being supportive [of] each other."

With regard to possible conflict of interests with her employment at Kamehameha Schools, Ms. Woodside testified that she would recuse herself from participation in discussions and voting on such matters if the Attorney General deems it a conflict and advises accordingly. She received helpful advice from Dr. Sam Gon, who advised her to announce her conflict or potential conflict to the Board relating to her employment with Kamehameha Schools, and seek legal advice from the Attorney General. She also reviewed the Ethics Commission Guidelines in this regard.

CHRISTOPHER J. YUEN

Your Committee received testimony in support of Christopher J. Yuen from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Pulama Lana'i, Conservation Council for Hawai'i, The Nature Conservancy, Armstrong Produce, Building Industry Association of Hawaii (BIA-Hawaii), and numerous individuals.

Christopher J. Yuen received a Juris Doctor degree from the William S. Richardson School of Law, a Master's degree in Environmental Science from the State University of New York, College of Environmental Science & Forestry, and a Bachelor of Arts degree in Human Biology from Stanford University. He is the owner and manager of The Family Farm, Inc., a 20-acre certified organic farm, supplying local markets with bananas, lychees, and rambutans. He was the Planning Director of Hawai'i County and a Deputy Corporation Counsel for the County of Hawai'i. Mr. Yuen also served on the Board of Land and Natural Resources from 1990 to 1998. He is currently an interim Board Member of the Board of Land and Natural Resources. In addition, the nominee organized the Friends of Makalawena to preserve the coastline in Kona which culminated in the Kekaha Kai State Park, a 4.5 mile long, 1,300 acre coastal park. He organized a campaign to protect the Keaukaha shoreline in 1971, which led to the County of Hawaii's purchase of Richardson's and Carlsmith's properties for parks.

The nominee's resume indicates that during his time on the Board of Land and Natural Resources in the 1990s, he spearheaded the negotiations in the Awake'e-Manini'owali land exchange; revision of conservation district rules; review of more than four hundred Conservation District Use Permits; and approval of a master plan for Kekaha Kai State Park.

Your Committee notes that testimony indicated that Mr. Yuen is a member of the Advisory Councils for the Laupahoehoe and Pu'uwa'awa'a Experimental Tropical Forests. He has served on various Hawaii Island community groups organized to protect the Hawaii shoreline or forests, and in most cases these groups have been successful. Over the years, Mr. Yuen has demonstrated his

successful negotiating skills and collaborative efforts toward resolving land use issues with regard to land exchanges and acquisitions to preserve beachfront land and open space.

Your Committee notes Mr. Yuen's response to written questions, that "For us to utilize natural resources in the future, we must protect the resource base in the present: to continue to draw water, we must protect the forest, to continue to harvest fish, we must protect the reefs, to continue to attract visitors, we must protect natural beauty." With regard to the values that directly motivate the Department's programs, he states those values as being respect for cultural heritage (historic preservation, many state parks); stewardship of our priceless heritage of unique plants and animals (forestry and wildlife, aquatic resources); love of nature and the outdoors (state parks, hunting, fishing, boating); protecting the rights of the majority against the misdeeds of a few (conservation enforcement); and prudent management of the State's assets (land management, small boat harbors, conveyances).

In his personal statement, the nominee says, "Often, those of us concerned about Hawai'i's environment fear a gloomy future. The story is one of loss and lament. Yet many good things are happening, and it's important to know that they are possible. I've seen dramatic regeneration of thousands of acres of koa forests at Kamehameha School's Keauhou property, in the Volcanoes National Park, on the slopes of Mauna Kea at 'Umikoa Ranch. Even from miles away on the inter-island flight from Hilo to Honolulu, or on satellite photos, you can see the dark green of native plants established by volunteers at the Hakalau Wildlife Refuge."

As a former member of the Board of Land and Natural Resources, the nominee stated that it is important for Board members to get along with other Board members. He feels he can get along with the other nominees and he is ready to start working with them.

In oral testimony, Mr. Yuen stated that the major issues facing the Department of Land and Natural Resources include establishing community partnerships, fisheries management, watershed projects, and addressing distrust from stakeholders. Government cannot be an advocate for one side or the other on an issue, which leads to public mistrust of government.

KEITH K. DOWNING

Your Committee received testimony in support of Keith K. Downing from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Conservation Council for Hawai'i, and numerous individuals.

Keith K. Downing operates Downing Hawaii, Hawai'i's oldest surf shop, specializing in innovative and custom surfboards and surf gear. Mr. Downing is a champion surfer who has won numerous surf competitions and is considered an expert as a big wave surfer in Hawai'i.

Testimony in support of the nominee indicates that Mr. Downing is a Native Hawaiian cultural practitioner has expertise and traditional knowledge of ocean and land resources. Mr. Downing also studied Commercial Art at the California College of Arts and Crafts. He can bring experience and knowledge of ocean currents, reef formations, marine resource issues, and how these issues are vitally connected to the land. Mr. Downing belongs to an old and well-known kama'aina family who is strongly committed to the conservation of natural and cultural resources.

Mr. Downing feels that it is extremely important to engage the community of an area affected by an issue and that Board members should sit, listen, observe, and understand the situation that affects the particular community.

In answer to the Committee's written questions concerning what he thinks is the role of a member of the Board, Mr. Downing replies, "Finding the best usage to enhance community by protecting our limited resources mauka to makai for generations. . . . if there is one accomplishment during my term it would be that we made all divisions accountable to engage community more in helping decision making that effects their communities needs as well as all of us with Hawai'i's best interest in mind. As for myself, I hope to do the right thing, the right way, and for the right reasons." He adds, "I feel protecting our natural resources is in my DNA."

Your Committee notes that Mr. Downing's response to what he thinks is the role of a member of the Board of Land and Natural Resources. He stated, "We must listen, ask questions, acquire facts to help guide our policy makers in doing the best thing, the best way, making sure to stay true to our mission of enhancing, protecting, conserving, and managing."

Mr. Downing testified that he would like to protect surfing sites and beaches. He would be dubious of any development or project, including those touted as ecologically friendly, if it affects the farmers, water users, and fish. He will do what is best for Hawai'i, not just for today, but for future times. Since he is an ocean person, he was asked what land issues he would be concerned with. He summarized that the most important thing is food. "The mountain is the start of everything." This is where water comes from which feeds the fish. It is all connected.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1291 Judiciary and Labor on H.B. No. 1090

The purpose and intent of this measure is to prohibit noncompete and nonsolicit clauses in employment contracts for employees of a technology business.

Your Committee received testimony in support of this measure from the Department of Education, High Technology Development Corporation, O&A Consulting LLC, Radical Synergies LLC, Techmana LLC, Institute of Electrical and Electronic Engineers, and four individuals. Your Committee received testimony in opposition to this measure from PR Tech LLC and PacRim Marketing Group, Inc. Your Committee received comments on this measure from the Chamber of Commerce Hawai'i.

Your Committee finds that it is a common practice within the technology industry to include noncompete provisions and other restrictive covenants in employment contracts. These types of provisions can have negative impacts on employment opportunities and

on the development of technology businesses in Hawaii. This can be especially problematic in Hawaii, creating an additional limitation on the number of technology workers where there is already a limited market for the size and number of technology businesses.

Your Committee has amended this measure by:

- (1) Inserting language to also prohibit noncompete clauses and nonsolicit clauses in post-employment contracts and separation agreements;
- (2) Deleting language that would have made this measure apply to all written, binding noncompete and nonsolicit clauses entered into after June 30, 2015;
- (3) Inserting a savings clause;
- (4) Amending the effective date to July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1090, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1090, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Espero).

SCRep. 1292 Commerce and Consumer Protection on H.B. No. 269

The purpose and intent of this measure is to recognize doctoral degrees from additional programs accredited by the American Psychological Association in partial satisfaction of requirements for licensing of psychologists.

Your Committee received testimony in support of this measure from the Board of Psychology and Hawai'i Psychological Association.

Your Committee finds that this measure recognizes doctoral programs that are accredited by the American Psychological Association and provide a solid foundation for the practice of professional psychology. This will expand the scope of doctoral level education, internship training, and post-doctoral specialty training and allow for greater opportunities for licensure.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 269, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 1293 Commerce and Consumer Protection on H.B. No. 928

The purpose and intent of this measure is to clarify that the Public Utilities Commission may order the Consumer Advocate, rather than the Director of Commerce and Consumer Affairs, to appear in regulatory proceedings initiated by the Commission.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and Public Utilities Commission.

Your Committee finds that Act 108, Session Laws of Hawaii 2014 (Act 108), expressly designated the Executive Director of the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs as the Consumer Advocate. Prior to Act 108, the Director of Commerce and Consumer Affairs had been statutorily designated as the Consumer Advocate. Under Act 108, a number of updates were made to chapter 269, Hawaii Revised Statutes, to reflect this redesignation. This measure amends section 269-15(a), Hawaii Revised Statutes, to change the reference in this section from the Director of Commerce and Consumer Affairs to the Consumer Advocate, for consistency with changes made to chapter 269, Hawaii Revised Statutes, by Act 108.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 928, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Nishihara, Slom).

SCRep. 1294 Judiciary and Labor on H.B. No. 15

The purpose and intent of this measure is to create a statewide standard for the distribution of absentee ballots.

Your Committee received testimony in support of this measure from the Office of the County Clerk, County of Maui; Office of the City Clerk, City and County of Honolulu; Office of the County Clerk, County of Hawaii; and Common Cause Hawaii.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which inserts language to:

- (1) Clarify that the Chairperson of the Elections Commission serves at-will and may be removed by a two-thirds vote of the commissioners; and
- (2) Clarify the term limits of the members of the Elections Commission, including the Chairperson.

Your Committee received testimony in opposition to the proposed S.D. 1 from the League of Women Voters and Common Cause Hawaii. Your Committee received comments on the proposed S.D. 1 from the Department of the Attorney General.

Your Committee finds that this measure will implement a standard distribution of absentee ballots so that voters may anticipate receiving their absentee ballots at similar times. Your Committee further finds that section 11-7, Hawaii Revised Statutes, regarding the Elections Commission, is unclear regarding the removal of the Chairperson of the Elections Commission as well as the term start and end dates and term limits of Elections Commission members, including the Chairperson. This measure provides further clarity and accountability.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by adopting language suggested by the Department of the Attorney General to provide a process for holdovers to avoid any unintended vacancies on the Elections Commission when the term of the Chairperson or a commission member expires and a selection has not been made.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 15, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 15, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1295 Transportation on S.C.R. No. 42

The purpose and intent of this measure is to urge the City and County of Honolulu to review its ordinances regarding the minimum distance within which vehicles can park from intersections and driveways.

Your Committee received comments on this measure from the Department of Transportation Services of the City and County of Honolulu.

Your Committee finds that in the City and County of Honolulu vehicles are often parked so close to an intersection as to block a driver's view of oncoming traffic. A driver's view of oncoming traffic is especially limited when large vans or trucks park close to intersections. The Revised Ordinances of Honolulu prohibit parking in front of a public or private driveway or within four feet of either side of a public or private driveway which may not be a sufficient amount of space to ensure that a vehicle exiting a driveway can see oncoming traffic. An obstructed view of oncoming traffic causes a significant safety hazard to drivers and pedestrians.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 42 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1296 Transportation on S.R. No. 17

The purpose and intent of this measure is to urge the City and County of Honolulu to review its ordinances regarding the minimum distance within which vehicles can park from intersections and driveways.

Your Committee received comments on this measure from the Department of Transportation Services of the City and County of Honolulu.

Your Committee finds that in the City and County of Honolulu vehicles are often parked so close to an intersection as to block a driver's view of oncoming traffic. A driver's view of oncoming traffic is especially limited when large vans or trucks park close to intersections. The Revised Ordinances of Honolulu prohibit parking in front of a public or private driveway or within four feet of either side of a public or private driveway which may not be a sufficient amount of space to ensure that a vehicle exiting a driveway can see oncoming traffic. An obstructed view of oncoming traffic causes a significant safety hazard to drivers and pedestrians.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 17 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1297 Transportation on S.C.R. No. 84

The purpose and intent of this measure is to urge the Department of Customer Services of the City and County of Honolulu and all driver training and education programs on Oahu to incorporate into their curriculum the teaching of courteous and responsible driving habits, with an emphasis on reducing traffic congestion.

Your Committee did not receive any testimony on this measure.

Your Committee finds that Oahu suffers from some of the worst traffic congestion in the nation. Improving the education of drivers regarding courteous and responsible driving, with an emphasis on reducing traffic congestion, would benefit everyone who shares Oahu's roads and highways.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 84 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1298 Transportation on S.R. No. 39

The purpose and intent of this measure is to urge the Department of Customer Services of the City and County of Honolulu and all driver training and education programs on Oahu to incorporate into their curriculum the teaching of courteous and responsible driving habits, with an emphasis on reducing traffic congestion.

Your Committee did not receive any testimony on this measure.

Your Committee finds that Oahu suffers from some of the worst traffic congestion in the nation. Improving the education of drivers regarding courteous and responsible driving, with an emphasis on reducing traffic congestion, would benefit everyone who shares Oahu's roads and highways.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 39 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1299 Transportation on S.C.R. No. 194

The purpose and intent of this measure is to urge the Department of Transportation to develop a plan for the establishment of an Airport Authority.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaiian Airlines, Airlines Committee of Hawaii, and one individual. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that several airports in other jurisdictions have airport authorities that are highly regarded for their efficient operation. This operational model offers the flexibility, stability, expertise, and accountability of a private sector business along with the necessary government oversight. An airport authority in the State would provide a degree of independence and flexibility that is enjoyed by other jurisdictions. Your Committee believes that airport operations could be improved by the creation of an airport authority.

Your Committee has amended this measure by:

- (1) Inserting language urging the Department of Transportation to develop a plan for the establishment of a ports authority, rather than an airport authority, to have jurisdiction over the management, construction, operations, and finances of the State's airports and harbors;
- (2) Inserting language to provide background information that more clearly articulates the purpose and intent;
- (3) Inserting language to request the Department of Transportation to submit a report to the Legislature on its plan to establish a port authority;
- (4) Amending its title in accordance with its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 194, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 194, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1300 Transportation on S.R. No. 129

The purpose and intent of this measure is to urge the Department of Transportation to develop a plan for the establishment of an Airport Authority.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaiian Airlines, Airlines Committee of Hawaii, and one individual. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that several airports in other jurisdictions have airport authorities that are highly regarded for their efficient operation. This operational model offers the flexibility, stability, expertise, and accountability of a private sector business along with the necessary government oversight. An airport authority in the State would provide a degree of independence and flexibility that is enjoyed by other jurisdictions. Your Committee believes that airport operations could be improved by the creation of an airport authority.

Your Committee has amended this measure by:

- (1) Inserting language urging the Department of Transportation to develop a plan for the establishment of a ports authority, rather than an airport authority, to have jurisdiction over the management, construction, operations, and finances of the State's airports and harbors;
- (2) Inserting language to provide background information that more clearly articulates the purpose and intent;
- (3) Inserting language to request the Department of Transportation to submit a report to the Legislature on its plan to establish a port authority;
- (4) Amending its title in accordance with its amended purpose; and

- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 129, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 129, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1301 Transportation on S.C.R. No. 47

The purpose and intent of this measure is to urge the Department of Transportation to promote driver awareness of blind and visually impaired pedestrians, including placing awareness posters in public facilities, purchasing radio and television advertisements, and installing street signs in areas of high pedestrian use by blind and visually impaired individuals.

Your Committee received testimony in support of this measure from the Department of Transportation, State Council on Developmental Disabilities, and Disability and Communication Access Board.

Your Committee finds that blind and visually impaired individuals must take additional precautions when crossing streets, particularly due to their inability to see vehicles. Blind and visually impaired individuals often rely on their sense of hearing to determine when it is safe to cross a street. Electric and hybrid vehicles often make very little noise when driving at low speeds and blind and visually impaired individuals have complained that it is difficult to determine if an electric or hybrid vehicle nearby prevents the safe crossing of a street.

Your Committee has amended this measure on the recommendation of the State Council on Developmental Disabilities by:

- (1) Amending language to read “individuals who are blind and visually impaired” rather than “blind or visually impaired individuals”; and
- (2) Adding the Chair of the State Council on Developmental Disabilities and Executive Director of the Disability and Communications Access Board to the persons to receive a certified copy; and
- (3) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 47, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 47, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1302 Transportation on S.R. No. 21

The purpose and intent of this measure is to urge the Department of Transportation to promote driver awareness of blind and visually impaired pedestrians, including placing awareness posters in public facilities, purchasing radio and television advertisements, and installing street signs in areas of high pedestrian use by blind and visually impaired individuals.

Your Committee received testimony in support of this measure from the Department of Transportation, State Council on Developmental Disabilities, and Disability and Communication Access Board.

Your Committee finds that blind and visually impaired individuals must take additional precautions when crossing streets, particularly due to their inability to see vehicles. Blind and visually impaired individuals often rely on their sense of hearing to determine when it is safe to cross a street. Electric and hybrid vehicles often make very little noise when driving at low speeds and blind and visually impaired individuals have complained that it is difficult to determine if an electric or hybrid vehicle nearby prevents the safe crossing of a street.

Your Committee has amended this measure on the recommendation of the State Council on Developmental Disabilities by:

- (1) Amending language to read “individuals who are blind and visually impaired” rather than “blind or visually impaired individuals”; and
- (2) Adding the Chair of the State Council on Developmental Disabilities and Executive Director of the Disability and Communications Access Board to the persons to receive a certified copy; and
- (3) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 21, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 21, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1303 Judiciary and Labor on H.B. No. 268

The purpose and intent of this measure is to:

- (1) Authorize the Board of Dental Examiners to summarily suspend a license;
- (2) Establish procedures for the summary suspension of a license; and

- (3) Specify that continuing to practice dentistry, or attempting to do so, while the summary suspension of a license is in effect shall be grounds for revocation of the license.

Your Committee received testimony in support of this measure from the Hawaii Dental Association and one individual. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Board of Dental Examiners.

Your Committee finds that existing law allows the Regulated Industries Complaints Office to issue citations, with an order of abatement effective upon service, to persons engaged in unlicensed activity. Existing law also provides that an unlicensed individual may request a hearing to contest a citation. According to the Regulated Industries Complaints Office, this citation process is an expedient and efficient means of addressing unlicensed activity. This measure carries out the cease and desist procedures under existing law to address the concerns relating to unlicensed dental activity.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 268, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 1304 Education on S.C.R. No. 172

The purpose and intent of this measure is to:

- (1) Request the Board of Education to reduce reliance on standardized testing and strive toward a different method of measuring accountability in the education system;
- (2) Urge the United States Congress and Executive Branch to overhaul the Elementary and Secondary Education Act, reduce testing mandates, promote multiple forms of evidence of student learning and school quality in accountability, and not mandate any fixed role for the use of student test scores in evaluating educators; and
- (3) Request the Board of Education to reexamine public school accountability systems and develop a system based on multiple forms of assessment that does not require extensive standardized testing, more accurately reflects the broad range of student learning, supports students, and improves schools.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that, in recent years, the role of standardized testing has expanded, and now consumes large amounts of student instructional time and Department of Education funds. A focus on standardized testing data as an appraisal of student achievement and school quality is out of line with educational research that stresses multiple modes of demonstrating understanding. The use of standardized testing should be limited to its positive impact on student learning and other factors should be used to evaluate school performance.

Your Committee has amended this measure by:

- (1) Adding language requesting the Department of Education to inform parents about the purpose, potential impact, and protocol of any standardized test that a student is expected to take; including all rights related to test administration, participation, and non-participation, as well as available supports based on accompanying reports that identify areas of strength and improvement; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 172, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 172, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1305 Agriculture on S.R. No. 87

The purpose and intent of this measure is to request the Board of Agriculture and Agribusiness Development Corporation Board of Directors to adopt definitions for small and large farms.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation; Larry Jeffs Farms, LLC; and one individual. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that no clear definition exists for small farm, large farm, or bona fide farmer and defining these terms, or similar terms, has been an ongoing discussion amongst stakeholders. Your Committee further finds that definitions need to be further discussed by these stakeholders and codified in statute once the stakeholders have reached agreement.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language requesting the Board of Agriculture and Agribusiness Development Corporation Board of Directors to adopt definitions for small and large farms;
- (2) Inserting language requesting the Department of Agriculture to suggest definitions for small and large farms and bona fide farmers;

- (3) Inserting language asking the Department of Agriculture to attempt to ensure that the definitions of small and large farms comply with United States Department of Agriculture definitions;
- (4) Inserting language that includes personal invested capital in the definitions of small and large farms;
- (5) Inserting language to allow the Department of Agriculture to define small and large farms with substantially equivalent definitions as those contained in this measure;
- (6) Deleting language requesting the Department of Agriculture and Agribusiness Development Corporation to use the definitions for certain administrative actions;
- (7) Inserting language that requests the Department of Agriculture to report its suggested definitions to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (8) Amending the title to reflect the amended purpose; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 87, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 87, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1306 Agriculture on S.C.R. No. 144

The purpose and intent of this measure is to request the Board of Agriculture and Agribusiness Development Corporation Board of Directors to adopt definitions for small and large farms.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation; Larry Jefts Farms, LLC; and one individual. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that no clear definition exists for small farm, large farm, or bona fide farmer and defining these terms, or similar terms, has been an ongoing discussion amongst stakeholders. Your Committee further finds that definitions need to be further discussed by these stakeholders and codified in statute once the stakeholders have reached agreement.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language requesting the Board of Agriculture and Agribusiness Development Corporation Board of Directors to adopt definitions for small and large farms;
- (2) Inserting language requesting the Department of Agriculture to suggest definitions for small and large farms and bona fide farmers;
- (3) Inserting language asking the Department of Agriculture to attempt to ensure that the definitions of small and large farms comply with United States Department of Agriculture definitions;
- (4) Inserting language that includes personal invested capital in the definitions of small and large farms;
- (5) Inserting language to allow the Department of Agriculture to define small and large farms with substantially equivalent definitions as those contained in this measure;
- (6) Deleting language requesting the Department of Agriculture and Agribusiness Development Corporation to use the definitions for certain administrative actions;
- (7) Inserting language that requests the Department of Agriculture to report its suggested definitions to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016;
- (8) Amending the title to reflect the amended purpose; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 144, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 144, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1307 Commerce and Consumer Protection on H.B. No. 253

The purpose and intent of this measure is to authorize pharmacists to administer vaccines to persons between fourteen and seventeen years of age who have a valid prescription from the patient's medical home.

Your Committee received testimony in support of this measure from the Department of Health; Board of Pharmacy; American Academy of Pediatrics, Hawaii Chapter; Walgreen Co.; CVS Health/Longs Drugs; and one individual. Your Committee received comments on this measure from two individuals.

Your Committee finds that this measure increases access to vaccines by permitting pharmacists to administer vaccines to certain patients who have a valid prescription from the patient's medical home, which will improve and protect public health. Your Committee further finds that this measure recognizes and preserves the medical home, which ensures patients receive coordinated and complete care. Ensuring information is properly checked and originating from the medical home minimizes the possibility of vaccination errors related to contraindications, guides timely spacing of vaccinations, and ensures the correct documentation of vaccinations in the patient's medical record.

Your Committee has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 253, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 253, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1308 (Majority) Judiciary and Labor on H.B. No. 1007

The purpose and intent of this measure is to:

- (1) Create a limited purpose driver's license, limited purpose provisional driver's license, and limited purpose instruction permit to persons who meet identification and residency requirements and other qualifications for licensure, but who cannot provide proof of authorized presence in the United States;
- (2) Provide that limited purpose driver's licenses, limited purpose provisional driver's licenses, and limited purpose instruction permits shall not be acceptable for federal identification, employment eligibility, public benefits eligibility, and voting purposes; and
- (3) Require satisfactory proof of identity and Hawaii residency.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaii Civil Rights Commission; Department of Customer Services, City and County of Honolulu; Hawaii Appleseed Center for Law and Economic Justice; Planned Parenthood of Hawaii; Catholic Charities Hawaii; American Civil Liberties Union of Hawaii; First United Methodist Church; PHOCUSED; Honolulu Council of MoveOn.org; and six individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Hawaii Insurers Council.

Your Committee finds that the federal REAL ID Act of 2005, Pub. L. No. 109-13, requires states to comply with federally mandated eligibility criteria in issuing driver's licenses, including the requirement of proof of lawful presence in the United States. Accordingly, a person who does not submit satisfactory proof of the person's legal presence in the United States, as authorized by federal law, cannot legally operate a motor vehicle. The REAL ID Act, however, specifically allows states to issue driver's licenses that do not comply with the minimum federal use requirements and standards of the REAL ID Act, which is a critical exception.

Your Committee further finds that since 2010 when the State implemented the restrictive identification requirements for driver's licenses, a significant number of residents have become unable to carry out necessary daily activities unless they operate motor vehicles without a license and, therefore, without insurance. This measure provides an alternative method to obtain a driver's license.

Your Committee has amended this measure by:

- (1) Adopting the suggestion of the Department of Transportation and Department of Customer Services of the City and County of Honolulu to adopt an effective date of January 1, 2016, to better facilitate implementation of this measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1007, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1007, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ihara).

SCRep. 1309 Judiciary and Labor on H.B. No. 561

The purpose and intent of this measure is to amend part I of chapter 378, Hawaii Revised Statutes (HRS), to prohibit employers from requiring or requesting employees and potential employees to grant access to personal account usernames and passwords.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, Americans for Democratic Action Hawaii, and American Civil Liberties Union of Hawaii. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii and one individual.

Your Committee finds that a growing number of employers are demanding that job applicants and employees give employers passwords to the employees' private social networking accounts, such as Facebook. This practice could potentially constitute an unnecessary invasion of privacy. Accessing a potential employee's social media account by using the applicant's password may expose information about the applicant, such as age, religion, ethnicity, or pregnancy, which an employer is forbidden to ask about. This measure updates the State's employment discrimination laws to keep pace with technology.

Your Committee notes that the Hawaii Civil Rights Commission suggested that the new protection created under this measure be placed in a new part of chapter 378, HRS, rather than under part I of that chapter because the privacy rights protected under this measure are different from the protected bases that fall under the jurisdiction of the Hawaii Civil Rights Commission. Your

Committee further notes that employment discrimination based on information obtained online is already prohibited under part I of chapter 378, HRS.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the suggestion made by the Hawaii Civil Rights Commission to insert the language that prohibits employers from requiring or requesting employees and potential employees to grant access to personal account usernames and passwords under a new part under chapter 378, HRS;
- (2) Deleting the language that would not hold an employer liable for failure to request or require that an employee or potential employee grant access to a personal account;
- (3) Providing civil penalties for any violation to be deposited into the general fund and allowing a person who alleges a violation to bring a civil action for appropriate injunctive relief or actual damages, or both;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 561, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 561, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1310 (Joint) Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor on H.B. No. 888

The purpose and intent of this measure is to:

- (1) Prohibit an intoxicated person from recklessly possessing a loaded firearm; and
- (2) Establish a petty misdemeanor violation for possession of a loaded firearm while intoxicated.

Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of the Attorney General, Hawaii Rifle Association, Lessons in Firearms Education, and one individual.

Your Committees find that the consumption of alcohol can impair the judgment and physical response of a person in possession of a loaded firearm, thereby decreasing public safety. Implementation of this measure will increase public safety by prohibiting the possession and discharge of a loaded firearm in a public place while a person is intoxicated.

Your Committees have amended this measure by:

- (1) Inserting language to prohibit an intoxicated person from recklessly possessing and discharging a loaded firearm in a public place, rather than only prohibiting an intoxicated person from recklessly possessing a loaded firearm;
- (2) Authorizing law enforcement to administer a breath or blood test to a person that recklessly possesses and discharges a loaded firearm in a public place if the person appears to be intoxicated;
- (3) Amending the definition of an intoxicated person to mean a person that is under the influence of alcohol or drugs in an amount sufficient to impair the person's normal mental faculties or ability to care for the person and guard against casualty as evidenced by a breath or blood test obtained by a law enforcement officer;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 888, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 888, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Baker).

Judiciary and Labor

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Gabbard, Ihara).

SCRep. 1311 Ways and Means on H.B. No. 73

The purpose and intent of this measure is to authorize the issuance of general obligation bonds.

This measure also makes the constitutionally required findings that the debt limit will not be exceeded.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that the total amount of principal and interest, estimated for the bonds authorized for issuance under this measure and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance.

Your Committee has amended this measure by:

- (1) Changing the encumbrance years to unspecified years;
- (2) Changing the debt limit percentage to an unspecified percentage;
- (3) Deleting reference to certain fiscal years with regard to the receipt of federal subsidy payments under the American Recovery and Reinvestment Act of 2009; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 73, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 73, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1312 Ways and Means on S.C.R. No. 19

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key Number (1)4-1-002:007, Waimanalo, Koolauapoko, Oahu, for the use, maintenance, and repair of a seawall and steps, pursuant to section 171-53, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the seawall was constructed prior to the establishment of the Conservation District in 1964 and that granting a 55-year non-exclusive easement to resolve encroachments is supported by the Office of Conservation and Coastal Lands of the Department of Land and Natural Resources and is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 19, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1313 Ways and Means on S.C.R. No. 11

The purpose and intent of this measure is to approve the sale of the leased fee interest in 94-944 Meheula Parkway, No. 153, Mililani, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that the Hawaii Housing Finance and Development Corporation provided notice of and conducted a public informational briefing on the sale of this parcel on August 19, 2014, in the Mililani High School cafeteria, at which no objection to the proposed sale was received.

Your Committee further finds that prior approval of the Legislature by concurrent resolution is necessary to sell certain state lands in fee simple, pursuant to section 171-64.7, Hawaii Revised Statutes. Accordingly, your Committee finds that approving the sale of the leased fee interest in 94-944 Meheula Parkway, No. 153, Mililani, Hawaii is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1314 Ways and Means on S.C.R. No. 9

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-575 Inoaole Street, Waimanalo, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that the Hawaii Housing Finance and Development Corporation provided notice of and conducted a public informational briefing on the sale of this parcel on September 9, 2014, at the Waimanalo School cafeteria, at which no objection to the proposed sale was received.

Your Committee further finds that prior approval of the Legislature by concurrent resolution is necessary to sell certain state lands in fee simple, pursuant to section 171-64.7, Hawaii Revised Statutes. Accordingly, your Committee finds that approving the sale of the leased fee interest in 41-575 Inoaole Street, Waimanalo, Hawaii is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 9 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1315 Ways and Means on S.C.R. No. 24

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term lease of fifty-five years and non-exclusive easement for 585 square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17 for pier pilings encroachment purposes.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the pier pilings at issue are the remnants of a cattle chute constructed in the early 1900s to load cattle onto ships and that the Office of Conservation and Coastal Lands of the Department of Land and Natural Resources has determined the pier pilings are the remnants of a nonconforming use and thus a conservation district use permit is not required.

Your Committee further finds that Lana'i Resorts, LLC, dba Pulama Lanai is interested in maintaining the historic site and that the Board of Land and Natural Resources has approved Pulama Lanai's request for a 55-year term lease and non-exclusive easement. Accordingly, your Committee finds that the issuance of the lease and the non-exclusive easement is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 24, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1316 Ways and Means on H.B. No. 775

The purpose and intent of this measure is to market Hawaii and Hawaii's higher educational institutions to international students.

Specifically, this measure appropriates moneys to the Department of Business, Economic Development and Tourism for marketing, travel, and other related recruitment expenses.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development and Tourism and Chamber of Commerce of Hawaii. Your Committee received written comments on this measure from the University of Hawaii.

Your Committee finds that educational travel and international study are growing trends in education. Your Committee believes that Hawaii is in the forefront of choice destinations for international students because of the State's unique history, optimal geographic location, and globally ranked higher education programs. Your Committee further finds that increased recruitment and marketing strategies are necessary to attract international students and maintain Hawaii's reputation as a place of beauty and education.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 775, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 1317 Ways and Means on H.B. No. 562

The purpose and intent of this measure is to require the installation of marked crosswalks with adequate lighting at newly constructed, reconstructed, resurfaced, or renovated intersections of two arterial streets.

Your Committee received written comments in support of this measure from the Department of Transportation. Your Committee received written comments in opposition to this measure from the City and County of Honolulu Department of Transportation Services.

Your Committee finds that pedestrians should be accommodated in these intersections that are major hubs in the State's transportation network. Your Committee believes that the installation of marked crosswalks with adequate lighting will improve the safety of all roadway users and will more clearly illuminate designated pedestrian routes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 562, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 1318 (Joint) Energy and Environment and Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 49

The purpose and intent of this measure is to:

- (1) Request the Department of Health, Honolulu Police Department, and Departments of Environmental Services and Planning and Permitting of the City and County of Honolulu to investigate illegal dumping and illegal structures along Laumaile Street in Kalihi and to coordinate the cleanup, pollution prevention, and enforcement of pertinent laws in the area; and
- (2) Request the Director of Health, Chief of Police of the Honolulu Police Department, and Director of the Department of Environmental Services to jointly report their findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2016.

Your Committees received comments on this measure from the Department of Health.

Your Committees find that illegal dumping of trash at 1700 Laumaile Street, in Kalihi, Oahu, and in or around nearby area streams, is an ongoing concern that has frustrated residents for several years. Dumping at 1700 Laumaile Street and in nearby area streams is unsightly and a pollution problem. Yard waste, construction debris, fertilizers and pesticides, and dog waste can pollute the water, making it unsanitary for humans and wildlife. Accumulated trash in the area also invites vermin, including rodents, which adds to the public health concern. A coordinated effort between state and city agencies is essential to investigate this ongoing problem, coordinate a thorough cleanup of the area, and develop measures to prevent illegal dumping in the future.

Your Committees have amended this measure by:

- (1) Changing any reference of "Laumaile Street" to "1700 Laumaile Street";
- (2) Amending the title accordingly;
- (3) Requesting the Director of Planning and Permitting of the City and County of Honolulu, in addition to the Director of Health, Chief of Police of the Honolulu Police Department, and Director of the Department of Environmental Services, to report findings and recommendations to the Legislature; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 49, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 49, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 1319 Education on S.C.R. No. 97

The purpose and intent of this measure is to request the Department of Education to establish a Hawaii public schools financial literacy task force.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hawaii Insurers Council, Hawaii Alliance for Community-Based Economic Development, National Association of Insurance and Financial Advisors Hawaii, Hawaii Bankers Association, Hawaii Jump\$tart Coalition, and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that personal finance is becoming increasingly complex. Financial literacy is a very important life skill, and is key to helping individuals prosper. Before requiring financial literacy to be taught in the public schools, it is essential that a plan be developed, curriculum adopted, and policies crafted for successful implementation of financial literacy instruction. Establishing a Hawaii public schools financial literacy task force is a step toward the ultimate goal of arming students with the knowledge and skills they need for financial success in life.

Your Committee has amended this measure by:

- (1) Replacing the Chairperson of the Board of Education as the chair of the task force at the initial meeting with the Superintendent of Education;
- (2) Adding language requesting the initial meeting of the task force to be held no later than August 14, 2015;
- (3) Requesting the Superintendent of Education, rather than the Chairperson of the Board of Education, to choose three individuals with experience as a teacher, vice-principal, or principal to serve on the task force; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 97, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 97, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1320 Education on S.R. No. 51

The purpose and intent of this measure is to request the Department of Education to establish a Hawaii public schools financial literacy task force.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hawaii Insurers Council, Hawaii Alliance for Community-Based Economic Development, National Association of Insurance and Financial Advisors Hawaii, Hawaii Bankers Association, Hawaii Jump\$tart Coalition, and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that personal finance is becoming increasingly complex. Financial literacy is a very important life skill, and is key to helping individuals prosper. Before requiring financial literacy to be taught in the public schools, it is essential that a plan be developed, curriculum adopted, and policies crafted for successful implementation of financial literacy instruction. Establishing a

Hawaii public schools financial literacy task force is a step toward the ultimate goal of arming students with the knowledge and skills they need for financial success in life.

Your Committee has amended this measure by:

- (1) Replacing the Chairperson of the Board of Education as the chair of the task force at the initial meeting with the Superintendent of Education;
- (2) Adding language requesting the initial meeting of the task force to be held no later than August 14, 2015;
- (3) Requesting the Superintendent of Education, rather than the Chairperson of the Board of Education, to choose three individuals with experience as a teacher, vice-principal, or principal to serve on the task force; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 51, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 51, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1321 Education on S.C.R. No. 93

The purpose and intent of this measure is to request the Board of Education to review whether the student representative to the Board of Education should be given voting rights.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Hui for Excellence in Education.

Your Committee finds that the student representative to the Board of Education provides the Board with a unique perspective on public school issues. The student representative has first-hand knowledge of how certain policies impact students. Considering the valuable contributions the student representative can make to the Board, a review of whether the student representative should be given voting rights is warranted.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 93 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1322 Education on S.R. No. 47

The purpose and intent of this measure is to request the Board of Education to review whether the student representative to the Board of Education should be given voting rights.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Hui for Excellence in Education.

Your Committee finds that the student representative to the Board of Education provides the Board with a unique perspective on public school issues. The student representative has first-hand knowledge of how certain policies impact students. Considering the valuable contributions the student representative can make to the Board, a review of whether the student representative should be given voting rights is warranted.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 47 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1323 Education on S.C.R. No. 96

The purpose and intent of this measure is to request the Department of Education to review the feasibility of continuing the Lahainaluna High School boarding program.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Lahainaluna High School boarding program has been a cherished asset to the school and community over its long history. Now enrolling students at about half its capacity, it is necessary to determine whether the program continues to be an apt investment of Department of Education funds.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 96 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1324 Education on S.R. No. 50

The purpose and intent of this measure is to request the Department of Education to review the feasibility of continuing the Lahainaluna High School boarding program.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Lahainaluna High School boarding program has been a cherished asset to the school and community over its long history. Now enrolling students at about half its capacity, it is necessary to determine whether the program continues to be an apt investment of Department of Education funds.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 50 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1325 Education on S.C.R. No. 108

The purpose and intent of this measure is to request the Department of Education to establish weekly minimum standards of time dedicated to physical education in all elementary, intermediate, and middle schools with an emphasis on physical activities that are conducive to the health and vigor of the body and mind.

Your Committee received testimony in support of this measure from the Department of Education, Department of Health, Hawaii Public Health Institute, American Cancer Society Cancer Action Network, and American Heart Association. Your Committee received comments on this measure from the Hawaii State Teacher Association.

Your Committee finds that childhood obesity is a major health concern affecting almost one-third of the children in the United States. Inadequate participation in physical activity is a significant contributor to obesity. Emphasizing physical activity in public schools will help combat childhood obesity and instill healthy habits in Hawaii's children. Moreover, a correlation has been shown to exist between fitness level and academic achievement. Promoting physical fitness by increasing time spent in physical education in elementary, intermediate, and middle schools may result in healthier, stronger kids who are ready for athletic and academic success.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 108 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1326 Education on S.R. No. 60

The purpose and intent of this measure is to request the Department of Education to establish weekly minimum standards of time dedicated to physical education in all elementary, intermediate, and middle schools with an emphasis on physical activities that are conducive to the health and vigor of the body and mind.

Your Committee received testimony in support of this measure from the Department of Education, Department of Health, Hawaii Public Health Institute, American Cancer Society Cancer Action Network, and American Heart Association. Your Committee received comments on this measure from the Hawaii State Teacher Association.

Your Committee finds that childhood obesity is a major health concern affecting almost one-third of the children in the United States. Inadequate participation in physical activity is a significant contributor to obesity. Emphasizing physical activity in public schools will help combat childhood obesity and instill healthy habits in Hawaii's children. Moreover, a correlation has been shown to exist between fitness level and academic achievement. Promoting physical fitness by increasing time spent in physical education in elementary, intermediate, and middle schools may result in healthier, stronger kids who are ready for athletic and academic success.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 60 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Nishihara, Slom).

SCRep. 1327 Higher Education and the Arts on S.R. No. 80

The purpose and intent of this measure is to request that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources convene a working group to develop a coordinated framework of support for preschool through post-secondary agriculture education.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Labor and Industrial Relations, University of Hawaii System, Hawaii Farm Bureau, Hawaii Farm to School and School Garden Hui, and one individual.

Your Committee finds that agricultural education is vital in developing future generations to be agriculturally literate and aware of the connection between agriculture and the food consumed island-wide. Through the development of a comprehensive and coordinated agricultural education framework, the numbers of students focusing their studies on agriculture and younger generations deciding to become farmers will naturally increase.

Your Committee further finds that the United States Agricultural Census from 2012 revealed that the average age of a farmer in Hawaii is sixty-three years old. The most effective and appropriate method to reverse this trend of an aging agricultural workforce is

through a coordinated and thoughtful framework that is centered on agricultural education. This measure supports this by convening a working group to develop such a framework to support preschool through post-secondary agriculture education in the State.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 80 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1328 Higher Education and the Arts on S.C.R. No. 133

The purpose and intent of this measure is to request that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources convene a working group to develop a coordinated framework of support for preschool through post-secondary agriculture education.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Labor and Industrial Relations, University of Hawaii System, Hawaii Farm Bureau, Hawaii Farm to School and School Garden Hui, and one individual.

Your Committee finds that agricultural education is vital in developing future generations to be agriculturally literate and aware of the connection between agriculture and the food consumed island-wide. Through the development of a comprehensive and coordinated agricultural education framework, the numbers of students focusing their studies on agriculture and younger generations deciding to become farmers will naturally increase.

Your Committee further finds that the United States Agricultural Census from 2012 revealed that the average age of a farmer in Hawaii is sixty-three years old. The most effective and appropriate method to reverse this trend of an aging agricultural workforce is through a coordinated and thoughtful framework that is centered on agricultural education. This measure supports this by convening a working group to develop such a framework to support preschool through post-secondary agriculture education in the State.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 133 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1329 Higher Education and the Arts on S.R. No. 81

The purpose and intent of this measure is to express strong support for the faculty and students of the Classics Division of the Department of Languages and Literatures of Europe and the Americas at the University of Hawaii at Manoa.

Your Committee received testimony in support of this measure from twenty-three individuals.

Your Committee finds that the study of Greek and Latin languages and histories serve as the traditional foundation of a multicultural curriculum at the university level. This academic tradition has continued into the modern system of higher education throughout the nation. This continuation of Classic-based studies is visible at the University of Hawaii at Manoa, where approximately one hundred fifty students fulfill the graduation requirement of second language studies with Greek and Latin language coursework. For the past forty-five years, four faculty members have overseen the teaching of these courses and others offered by the Classics Division at the University of Hawaii at Manoa.

Your Committee notes that the recent death of a Classics Division faculty member has left two equally pressing concerns. The first concern involves finding a suitable and permanent replacement to teach eight sections of Classical languages. These sections have been redistributed among the remaining three faculty members, despite the significant workload this redistribution has posed. The second concern involves the lack of available funds with which to hire a replacement faculty member.

Your Committee finds that prior to the decrease of faculty in the Classics Division, approximately fifty students were turned away from one or more Classics courses each semester due to high demand and low availability of open seats. Your Committee further notes that this decreased number of faculty will lead to an even higher number of students being turned away or will require the three existing faculty members to attempt to continue an unsustainable workload.

Your Committee recognizes that the quality of education offered by the University of Hawaii at Manoa is largely due to the low student-to-instructor ratio. The ongoing service of the University professors ensures the quality and thoughtfulness of the future state labor force. Accordingly, this measure underlines the support of the Legislature for instructors and students of the University through its recognition of an academically crucial Division.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 81, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 81, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1330 Higher Education and the Arts on S.C.R. No. 134

The purpose and intent of this measure is to express strong support for the faculty and students of the Classics Division of the Department of Languages and Literatures of Europe and the Americas at the University of Hawaii at Manoa.

Your Committee received testimony in support of this measure from twenty-three individuals.

Your Committee finds that the study of Greek and Latin languages and histories serve as the traditional foundation of a multicultural curriculum at the university level. This academic tradition has continued into the modern system of higher education throughout the nation. This continuation of Classic-based studies is visible at the University of Hawaii at Manoa, where approximately one hundred fifty students fulfill the graduation requirement of second language studies with Greek and Latin language coursework. For the past forty-five years, four faculty members have overseen the teaching of these courses and others offered by the Classics Division at the University of Hawaii at Manoa.

Your Committee notes that the recent death of a Classics Division faculty member has left two equally pressing concerns. The first concern involves finding a suitable and permanent replacement to teach eight sections of Classical languages. These sections have been redistributed among the remaining three faculty members, despite the significant workload this redistribution has posed. The second concern involves the lack of available funds with which to hire a replacement faculty member.

Your Committee finds that prior to the decrease of faculty in the Classics Division, approximately fifty students were turned away from one or more Classics courses each semester due to high demand and low availability of open seats. Your Committee further notes that this decreased number of faculty will lead to an even higher number of students being turned away or will require the three existing faculty members to attempt to continue an unsustainable workload.

Your Committee recognizes that the quality of education offered by the University of Hawaii at Manoa is largely due to the low student-to-instructor ratio. The ongoing service of the University professors ensures the quality and thoughtfulness of the future state labor force. Accordingly, this measure underlines the support of the Legislature for instructors and students of the University through its recognition of an academically crucial Division.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 134, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 134, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Wakai).

SCRep. 1331 Higher Education and the Arts on S.C.R. No. 109

The purpose and intent of this measure is to designate the month of October of each year as “Farm to School Month” in Hawaii to strengthen and support farm to school initiatives in Hawaii’s schools.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Education, Hawaii Farm Bureau, Local Food Coalition, Hawaii Farm to School and School Garden Hui, Hawaii Island School Garden Network, and four individuals.

Your Committee finds that there is an increasing importance in providing Hawaii’s youth with the education and exposure to become agriculturally literate. Specifically, it is vital for the future of food security throughout the islands that students appreciate the connection between food and the farm from which it came. Further, there is an increasing connection between the application of farm to school initiatives and improved student health and nutrition.

Your Committee notes that this measure recognizes that informed food choices underlines positive health choices. This measure additionally strengthens the local economy and contributes to the overarching goal of local food security. In 2010, the United States House of Representatives designated the month of October to serve each year as a nation-wide health initiative, specifically designated as the “National Farm to School Month”. By passing this measure, the State will mirror that Congressional expression of support for greater student health and increased agricultural literacy.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 109, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 109, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Inouye, Kidani, Wakai).

SCRep. 1332 Water and Land on H.B. No. 205

The purpose and intent of this measure is to update the State’s agricultural planning statute to add the growth and development of traditional Hawaiian farming systems and traditional Hawaiian crops, as well as the growth and development of small-scale farms, as agricultural objectives of the State.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Native Hawaiian Chamber of Commerce; Aha Moku Advisory Committee; Ho’okipa Network – Kauai; Kalihi Palama Hawaiian Civic Club; College of Tropical Agriculture and Human Resources, University of Hawaii at Mānoa; The Trust for Public Land; Hawaii’s Alliance for Community-Based Economic Development; Hawaii’s Green Growth; King Kamehameha Hawaiian Civic Club; Ewa Puuloa Hawaiian Civic Club; Association of Hawaiian Civic Clubs; Kua’aina Ulu ‘Auamo; Land Use Research Foundation of Hawaii; and thirteen individuals.

Article XI, section 3, of the Constitution of the State of Hawaii requires the Legislature to provide standards and criteria to increase Hawaii’s agricultural self-sufficiency.

Your Committee finds that prioritizing traditional agricultural techniques such as traditional Hawaiian farming is increasingly viewed as good policy. The United Nations Commission on Trade and Development urges nation states to support the development of sustainable small-scale farms and traditional farming systems to achieve food security, particularly in light of climate change. Supporting traditional farming is also consistent with the recommendations of the Taro Security and Purity Task Force's 2010 legislative report *E ola hou ke kalo; ho'i hou ka 'āina lē'ia: The taro lives; abundance returns to the land*. The report emphasizes the need to invest in traditional farming and crops to perpetuate culture and to support disaster preparedness and food security in our islands.

Your Committee further finds that many small farms incorporate native Hawaiian resource methodology which results in an increase in local food production. Time-tested Native Hawaiian traditional farming methods represent successful agricultural technologies that are ecologically sustainable, culturally significant, and critical to Hawai'i's long-term food security and self-sufficiency goals. Adding these methods to the State's planning objectives would contribute to the sustainability of local food production while continuing to perpetuate Native Hawaiian cultural contributions.

Your Committee supports the practice of traditional Hawaiian farming as a means to promote Hawaii's agricultural self-sufficiency. Your Committee also finds that traditional Hawaiian farming systems still play a critical role in Hawai'i and should be encouraged in order to promote greater self-sufficiency, crop diversity, and food security. Moreover, traditional Hawaiian crops like kalo, 'uala (sweet potato), limu (various seaweeds), 'awa, hō'i'o (large native fern), and 'olena (turmeric) that were cultivated using these traditional Hawaiian farming techniques continue to be important agricultural products for food, medicine, and cultural practices today.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 205, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 1333 Commerce and Consumer Protection on H.B. No. 354

The purpose and intent of this measure is to, beginning with the July 1, 2017, licensing biennium, require licensed registered nurses and licensed practical nurses to submit evidence of completed continuing competency requirements prior to the renewal of the license.

Your Committee received testimony in support of this measure from the Board of Nursing; Hawai'i State Center for Nursing; University of Hawai'i at Manoa School of Nursing and Dental Hygiene; Hawaii Association of Professional Nurses; Hawai'i Pacific Health; Pali Momi Medical Center; Wilcox Memorial Hospital; Kapi'olani Medical Center for Women and Children; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and six individuals.

Your Committee finds that nurses are critical to the successful implementation of health care reform in Hawaii. Continuing competency plays a significant role in nursing professionals' ongoing development and ensures that these health care professionals are able to engage in life-long learning to maintain safe, high quality, proficient care for the betterment of the patients they serve. Your Committee further finds that this measure benefits licensed registered nurses, licensed practical nurses, and their patients by requiring completion of continuing competency requirements prior to any application for license renewal, restoration, or reinstatement.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 354, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1334 Ways and Means on H.B. No. 1368

The purpose and intent of this measure is to amend the King Kamehameha Celebration Commission's membership and its means of financing staff costs.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, the King Kamehameha Celebration Commission, the Association of Hawaiian Civic Clubs, and two individuals.

Your Committee finds that the King Kamehameha Celebration Commission is composed of members appointed to represent a variety of organizations and different islands. The King Kamehameha Celebration Commission is in charge of arranging state celebrations and commemorations of King Kamehameha. Amending the King Kamehameha Celebration Commission's membership will enhance the Commission's effectiveness and its organizational and administrative structures.

Your Committee also finds that the King Kamehameha Celebration Commission stopped receiving general fund appropriations in 2000. Since then, the Commission has relied solely on private donations for support. Additionally, the Commission's single staff member has been on unpaid leave since November 2014, leaving the Commission members to volunteer their time to perform staff duties. Your Committee finds that paying staff through state funds, rather than donations, will boost effectiveness and efficiency of the King Kamehameha Celebration Commission and provide relief for Commission members who currently work without pay.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1368, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1368, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1335 Commerce and Consumer Protection on H.B. No. 1497

The purpose and intent of this measure is to require:

- (1) Client companies of a professional employer organization to report and update their physical address and North American Industry Classification System code to the professional employer organization;
- (2) Employers to keep a record of the physical addresses of the employer and the North American Industry Classification System code applicable to the employer; and
- (3) Professional employer organizations to provide the physical address, North American Industry Classification System code, and number of covered employees of each client company to the Department of Labor and Industrial Relations.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received testimony in opposition to this measure from ALTRES, Inc.

Your Committee finds that federal funding levels for the Department of Labor and Industrial Relations (Department) are in jeopardy because the federal Bureau of Labor Statistics ties funding to the number of employing units reported and an increasing number of employers are not responding to surveys unless required to do so. Your Committee further finds that existing Hawaii law is limited regarding the amount of information required to be collected. The growth of professional employer organizations in the State has also affected the quality of data compiled and reported by the Department's Division of Research and Statistics.

Your Committee additionally finds that this measure allows the Department to gather information necessary for preparing accurate industrial and geographical summaries of economic conditions within the State. The additional information collected under this measure will greatly improve the data that the Division of Research and Statistics provides to other state agencies, many of which depend on federal funding.

Your Committee has amended this measure by clarifying that an employer, regardless of whether the employer contracts with a professional employer organization, is required to keep a record of the physical addresses of the employer and the North American Industry Classification System code applicable to the employer.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1497, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1497, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1336 Ways and Means on H.B. No. 140

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to Chaminade University of Honolulu to finance and refinance the planning, acquisition, construction, improvement, and equipping of its educational facilities.

Your Committee received written comments in support of this measure from Chaminade University of Honolulu and two individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Chaminade University intends to refinance, construct, and renovate athletic facilities and renovate classrooms and faculty and administrative offices. Additionally, the university plans to conduct structural maintenance on its campus and buildings, improve landscaping, and account for other related costs. Your Committee finds that these activities constitute a project as defined in part VIII, chapter 39, Hawaii Revised Statutes. Accordingly, your Committee further finds that the authorization of special purpose revenue bonds to Chaminade University is in the public interest because it will assist a not-for-profit private sectarian university that serves the general public.

Your Committee has amended this measure by:

- (1) Changing the amount of special purpose revenue bonds authorized from an unspecified amount to \$25,000,000; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 140, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 140, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1337 Ways and Means on H.B. No. 241

The purpose and intent of this measure is to extend, from June 28, 2015, to June 30, 2020, the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning in financing the design and construction of a seawater air conditioning district cooling system on Oahu.

Your Committee received written comments in support of this measure from Honolulu Seawater Air Conditioning LLC and Ulupono Initiative.

Your Committee finds that extending the authorization of the issuance of special purpose revenue bonds will support the development of a renewable and efficient energy system that utilizes abundant natural resources in place of fuel and electricity. Your Committee further finds that the extension to authorize and issue special purpose revenue bonds to Honolulu Seawater Air Conditioning is in the public interest.

Your Committee has amended this measure by making a technical nonsubstantive amendment for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 241, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 241, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1338 Commerce and Consumer Protection on H.B. No. 715

The purpose and intent of this measure is to include low-speed electric bicycles in the definition of “bicycle” for purposes of county vehicular taxes, highway safety laws, statewide traffic code, and bicycle laws.

Your Committee received testimony in support of this measure from the Department of Transportation, City and County of Honolulu Department of Transportation Services, Ebikes Hawaii, Bicycle Product Suppliers Association, PeopleForBikes, Pedego Electric Bikes Maui, four individuals, and several form letters.

Your Committee finds that electric bicycles are becoming an increasingly important form of transportation and a more significant component of the bicycle industry. This measure is intended to statutorily recognize that electric bicycles are a type of bicycle and subject to the same laws as other bicycles.

Your Committee understands the concern regarding the use of low-speed electric bicycles on sidewalks and notes that the speed of these electric bicycles may pose a potential safety hazard when used on sidewalks in areas where there are pedestrians and other non-motorized users.

Accordingly, your Committee has amended this measure by:

- (1) Excluding low-speed electric bicycles from the definitions of: “moped” in chapters 249, 286, and 291C, Hawaii Revised Statutes; “motor vehicle” in chapters 249, 286, and 291C, Hawaii Revised Statutes; and “vehicle” in chapters 249 and 286, Hawaii Revised Statutes;
- (2) Specifying that low-speed electric bicycle riding is prohibited on all sidewalks; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 715, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 715, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1339 Commerce and Consumer Protection on H.B. No. 1273

The purpose and intent of this measure is to authorize construction of hydroelectric facilities on agricultural lands; provided that the hydroelectric facilities:

- (1) Have a hydroelectric generating capacity of not more than five hundred kilowatts;
- (2) Comply with the state water code, chapter 174C, Hawaii Revised Statutes;
- (3) Are accessory to agricultural activities; and
- (4) Do not adversely impact or impede the use of agricultural land or the availability of surface or groundwater for use on parcels that are served by the ground water sources or streams for which hydroelectric facilities are considered.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai‘i Farm Bureau, Blue Planet Foundation, and one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Land Use Commission.

Your Committee finds that energy costs can be a limiting factor that reduces the profitability of many of the State’s farmers and ranchers, especially considering the high costs of energy in Hawaii as compared to the rest of the country. Your Committee finds that permitting hydropower facilities in state agricultural districts could support Hawaii’s agricultural industry by providing clean energy at a fixed cost for on-site agricultural operations; provided that the hydropower facilities are accessory to agricultural activities.

Your Committee has amended this measure by:

- (1) Clarifying that construction of hydroelectric facilities on agricultural lands is permissible; provided that the hydroelectric facilities are accessory to agricultural activities on agricultural land for agricultural use only; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1273, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1273, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1340 Commerce and Consumer Protection on H.B. No. 623

The purpose and intent of this measure is to:

- (1) Increase renewable portfolio standards for electric utilities to thirty percent by 2020, sixty percent by 2030, seventy percent by 2035, and one hundred percent by 2045; and
- (2) Require the Public Utilities Commission to include the impact of renewable portfolio standards, if any, on the energy prices offered by renewable energy developers and the cost of fossil fuel volatility in its renewable portfolio standards study and report to the Legislature.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Environmental Quality Control; Hawaii Solar Energy Association; Ulupono Initiative; Hawaii Renewable Energy Alliance; Blue Planet Foundation; and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc. and three individuals. Your Committee received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Kaua'i Island Utility Cooperative, and Chamber of Commerce Hawaii.

Your Committee finds that the State has implemented energy goals using renewable portfolio standards, which include generating forty percent of the State's electricity from renewable energy by 2030. However, existing law allows most of the State's power to come from fossil fuels in 2030 and beyond. This measure updates and extends Hawaii's clean energy initiative and renewable portfolio standards in an effort to extend long-term benefits to Hawaii's economy and environment.

According to testimony received by your Committee, a recently conducted study concluded that it is possible that Hawaii will be able to meet its forty percent renewable portfolio standards goal if certain challenges and uncertainties are addressed. Your Committee notes the study found that although greater levels of renewable energy may be possible, these higher levels of renewable energy are associated with measures that may warrant further evaluation. Furthermore, your Committee has heard the concerns that reaching the one hundred percent renewable portfolio standard by 2045 may be overly aggressive. Concerns were also raised about the renewable portfolio standards goals beyond 2030 and a possible detrimental effect on ratepayers. Your Committee finds that the State should continue to work toward energy independence but also believes it is appropriate to proceed cautiously when attempting to set higher renewable portfolio standards goals beyond 2030. Amendments that adjust the dates for the renewable portfolio standards are therefore necessary.

Your Committee has amended this measure by:

- (1) Adjusting the percentages and dates for electric utility company renewable portfolio standards as follows:
 - (A) Forty percent by December 31, 2030;
 - (B) Seventy percent by December 31, 2040; and
 - (C) One hundred percent by December 31, 2050; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 623, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 623, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1341 Commerce and Consumer Protection on H.B. No. 1286

The purpose and intent of this measure is to establish the following as added or amended Hawaii State Plan objectives and policies relating to state energy facility systems:

- (1) Reduction and elimination of the State's dependence on imported fuels for electrical generation and ground transportation to facilitate energy objectives for increased energy security and self-sufficiency;
- (2) Diversification of energy generation;
- (3) Consideration of utility models that prioritize the social and financial interests of the State's utility customers;
- (4) Increased energy efficiency and decreased energy use in public infrastructure; and
- (5) Ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and do not impede the development of renewable energy sources.

Your Committee received testimony in support of this measure from the Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, Blue Planet Foundation, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaiian Electric Company, Inc.

Your Committee finds that a stronger local economy depends on a transition away from imported fuels and toward renewable local resources that provide a source of affordable energy. This measure updates the energy objectives and policies relating to state energy facility systems, which will benefit Hawaii's economy by ensuring that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry, thereby furthering the State's goals of energy security, self-sufficiency, and sustainability.

Your Committee has amended this measure by:

- (1) Inserting a definition of “petroleum”;
- (2) Amending one of the state policies relating to energy facilities to ensure that liquefied natural gas is used only as a cost-effective transitional, limited-term replacement of petroleum for electricity generation and does not impede the development and use of other cost-effective renewable energy sources;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1286, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1286, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1342 (Joint) Commerce and Consumer Protection and Ways and Means on H.B. No. 1219

The purpose and intent of this measure is to:

- (1) Require persons charging a consumer’s credit or debit card or account with a third party for automatic renewal or continuous service to first obtain the consumer’s acknowledgment and affirmative consent;
- (2) Establish notice, disclosure, and contact information requirements for automatic renewal or continuous service consumer agreements; and
- (3) Require free trial offers to clearly and conspicuously disclose how to cancel the agreement prior to the consumer being charged for goods and services.

Your Committees did not receive any testimony on this measure.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language that:

- (1) Clarifies the Lieutenant Governor’s rulemaking authority relating to Commissioners of Deeds;
- (2) Authorizes the Lieutenant Governor to assess and collect fees and administrative fines relating to Commissioners of Deeds and establishes a revolving fund into which the fees and administrative fines are to be deposited;
- (3) Clarifies that the Lieutenant Governor is responsible for the commissioners of deeds program; and
- (4) Increases the surety bond requirement for Commissioners of Deeds from \$1,000 to \$10,000.

Your Committees received testimony in support of the proposed S.D. 1 from the Office of the Lieutenant Governor; Disney Vacation Development, Inc.; and American Resort Development Association – Hawai‘i. Your Committees received comments on the proposed S.D. 1 from the Department of the Attorney General.

Your Committees find that Act 277, Session Laws of Hawaii 2013 (Act 277), established the commissioners of deeds program within the Office of the Lieutenant Governor. This program includes a process for the Governor to appoint individuals to serve as Commissioners of Deeds to administer oaths, take acknowledgements, and take proofs of execution outside of the United States in connection with the execution of conveyance documents relating to a time share interest, any property subject to a time share plan, or the operation of a time share plan covering any property located within Hawaii. Act 277 also included protections for consumers wishing to purchase a timeshare property in Hawaii, including written notice of legal rights, bonding requirements for Commissioners of Deeds, and liabilities and limitations on liabilities for Commissioners of Deeds.

Your Committees further find that the proposed S.D. 1 addresses issues raised by a working group established to assist in implementing the program and provides the Office of the Lieutenant Governor the necessary authority and clarification to effectively implement the law while also adequately protecting consumers.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by:

- (1) Inserting a purpose section; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1219, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1219, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce and Consumer Protection

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Kidani, Nishihara, Wakai).

Ways and Means

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Dela Cruz, Galuteria, Riviere).

SCRep. 1343 Ways and Means on H.B. No. 171

The purpose and intent of this measure is to appropriate moneys for fiscal year 2015-2016 to be deposited into the Hurricane Reserve Trust Fund.

Your Committee received testimony in support of this measure from the Hawaii Association of Realtors. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that increasing the balance in the Hurricane Reserve Trust Fund is in the public interest. The fund is one of the reserve funds available to the State during emergencies.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 171, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 171, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1344 Ways and Means on H.B. No. 172

The purpose and intent of this measure is to appropriate moneys from the general fund into the emergency and budget reserve fund.

The Department of Budget and Finance submitted written comments on this measure.

Earlier this session, your Committee heard the companion to this measure, Senate Bill No. 1312, and considered whether, pursuant to article VII, section 6, of the Hawaii Constitution, the Legislature should provide a tax refund or tax credit to state taxpayers or make a deposit into the emergency and budget reserve fund. However, section 328L-3(a)(3), Hawaii Revised Statutes, prohibits the Legislature from making a deposit into the emergency and budget fund for fiscal year 2014-2015. The Attorney General suggested that compliance with article VII, section 6, of the Hawaii Constitution may still be achieved via a deposit, rather than a tax credit or tax refund, through the enactment of a session law that would have the effect of amending section 328L-3(a)(3), Hawaii Revised Statutes, only for fiscal year 2014-2015. Your Committee subsequently amended Senate Bill No. 1312 pursuant to the advice of the Attorney General.

Accordingly, your Committee has amended this measure by deleting its substantive contents and replacing them with sections 1, 2, and 3 of Senate Bill No. 1312, S.D. 1. As amended, this measure:

- (1) Requires the Director of Finance to transfer the total sum of the tax credit or tax refund for fiscal year 2014-2015, as determined by the Legislature pursuant to the Hawaii Constitution, to the emergency and budget reserve fund; and
- (2) Makes an appropriation from the general fund for fiscal year 2014-2015 to the emergency and budget reserve fund.

Your Committee has also amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 172, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 172, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1345 Ways and Means on H.B. No. 707

The purpose and intent of this measure is to repeal and abolish certain non-general funds and accounts, as recommended by the Auditor in Report Nos. 14-04 and 14-13.

Specifically, this measure repeals or abolishes the:

- (1) Cancer Detection Development Revolving Fund;
- (2) Hawaii Criminal Justice Commission Trust Account;
- (3) Preservation of Endangered Plants Trust Account; and
- (4) State DOD Physical Amelioration Donation Trust Fund.

Your Committee received testimony in support of this measure from the Department of Defense, Office of the Auditor, and the Hawaii Strategic Development Corporation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, in 2014, the Auditor reviewed various non-general funds and accounts, including an evaluation of the original purpose of each fund and account and the degree to which each fund and account continues to serve its intended purpose. Your Committee further finds that the Auditor concluded that the funds and accounts repealed and abolished by this measure no longer serve their intended purpose or meet statutorily-established criteria for such funds and accounts. Accordingly, your Committee believes that it is appropriate to repeal and abolish these non-general funds and accounts and to transfer any remaining unencumbered balances to the general fund.

Your Committee has amended this measure by:

- (1) Abolishing the UH Wellness Center - operating account administratively established in 2008 and administered by the University of Hawaii; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 707, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 707, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1346 Ways and Means on H.B. No. 1186

The purpose and intent of this measure is to allow premiums received from the sale of any general obligation bonds to be used for capital expenditures approved by the Legislature in addition to being deposited into the general fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance

Your Committee finds that allowing premiums received from the sale of general obligation bonds to be used to finance capital expenditures would give the Department of Budget and Finance greater flexibility in structuring bond sales in the most efficient manner. Your Committee also finds that this measure may result in a reduction of debt and related annual debt service costs.

Your Committee has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1186, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1186, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1347 Ways and Means on H.B. No. 79

The purpose and intent of this measure is to repeal or reclassify various non-general funds in accordance with the Auditor's recommendations in Auditor's Report No. 14-13.

Specifically, this measure:

- (1) Repeals the:
 - (A) Pineapple Workers and Retirees Housing Assistance Fund;
 - (B) Public Facility Revenue Bond Special Fund;
 - (C) Capital Formation Revolving Fund;
 - (D) Statewide Geospatial Information and Data Integration Special Fund; and
 - (E) Fee Simple Residential Revolving Fund; and
- (2) Reclassifies the:
 - (A) Tourism Emergency Trust Fund as a special fund;
 - (B) Housing Project Bond Special Fund – Multi Family as a revolving fund;
 - (C) Housing Loan Program Revenue Bond Fund, also known as the Single Family Mortgage Purchase Revenue Bond Fund, as a revolving fund;
 - (D) Rental Housing Trust Fund as a revolving fund; and
 - (E) Housing Loan Program Revenue Bond Special Fund – Rental Housing System as a revolving fund.

Your Committee received testimony in support of this measure from the Office of the Auditor and Hawaii Strategic Development Corporation. Your Committee received comments on this measure from the Tax Foundation of Hawaii and Hawaii Housing Finance and Development Corporation.

Your Committee finds that this measure implements some of the recommendations made by the Auditor, in Auditor's Report No. 14-13, to repeal or reclassify various non-general funds. Your Committee believes that repealing or reclassifying funds will help to ensure that all funds meet the statutory criteria for a special fund, revolving fund, trust fund, or trust account established by the Legislature.

Your Committee has amended this measure by:

- (1) Making a conforming amendment to section 201H-100, Hawaii Revised Statutes;
- (2) Adding language to ensure that the amendments made to section 36-27, Hawaii Revised Statutes, will not be repealed when that section is reenacted on December 31, 2015, pursuant to section 7 of Act 124, Session Laws of Hawaii 2014;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 79, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 79, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1348 Ways and Means on H.B. No. 78

The purpose and intent of this measure is to reclassify the Department of Land and Natural Resources' Accrued Vacation and Sick Leave Fund as a trust fund, as recommended by the Auditor in Report No. 14-04.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Office of the Auditor. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the accrued vacation and sick leave fund was established administratively as a revolving fund. However, the fund functions as a trust fund under definitions in the Hawaii Revised Statutes. Pursuant to the Auditor's recommendation, reclassification would more closely align the fund's actual operation and administration with the statutory definition of a trust fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 78, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1349 Transportation on S.C.R. No. 181

The purpose and intent of this measure is to request the Department of Transportation to study the feasibility of establishing an interisland ferry system similar to the ferry system operated by Washington State and report to the Legislature prior to the 2016 Regular Session.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Farm Bureau Federation, and Hawaii Shippers Council. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that an interisland ferry system can serve as an efficient alternative for transporting passengers and cargo. Washington State Ferries, which is part of the Washington State Department of Transportation, operates the largest ferry system in the United States. With twenty-two ferries traversing the Puget Sound and its inland waterways, Washington State Ferries serves as a marine highway for commercial users, tourists, and daily commuters.

Your Committee has amended this measure by:

- (1) Requesting the Department of Transportation to also look at ferry systems in other jurisdictions in conducting the study;
- (2) Amending its title in accordance with its amended purpose;
- (3) Requesting the Legislative Reference Bureau to assist the Department of Transportation in the preparation of its report to the Legislature on findings and recommendations, including any proposed legislation; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 181, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 181, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1350 Transportation on S.R. No. 116

The purpose and intent of this measure is to request the Department of Transportation to study the feasibility of establishing an interisland ferry system similar to the ferry system operated by Washington State and report to the Legislature prior to the 2016 Regular Session.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Farm Bureau Federation, and Hawaii Shippers Council. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that an interisland ferry system can serve as an efficient alternative for transporting passengers and cargo. Washington State Ferries, which is part of the Washington State Department of Transportation, operates the largest ferry system in the United States. With twenty-two ferries traversing the Puget Sound and its inland waterways, Washington State Ferries serves as a marine highway for commercial users, tourists, and daily commuters.

Your Committee has amended this measure by:

- (1) Requesting the Department of Transportation to also look at ferry systems in other jurisdictions in conducting the study;
- (2) Amending its title in accordance with its amended purpose;

- (3) Requesting the Legislative Reference Bureau to assist the Department of Transportation in the preparation of its report to the Legislature on findings and recommendations, including any proposed legislation; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 116, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 116, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Kouchi, Slom).

SCRep. 1351 (Joint) Energy and Environment and Health and Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 174

The purpose and intent of this measure is to:

- (1) Request the Department of Health, Environmental Protection Agency, Honolulu Board of Water Supply, and Navy to expeditiously implement the recommendations submitted to the Legislature by the Red Hill Fuel Storage Facility Task Force;
- (2) Urge the Navy to install double-lining at the Red Hill Fuel Storage Facility;
- (3) Urge the Department of Health, Environmental Protection Agency, Honolulu Board of Water Supply, and Navy to install additional groundwater monitoring wells and increase the frequency of all monitoring and sampling activities at the Red Hill Fuel Storage Facility; and
- (4) Urge the Department of Health, Environmental Protection Agency, and Navy to finalize a negotiated agreement for the Red Hill Fuel Storage Facility that protects drinking water resources, appropriately reports the release of petroleum, and minimizes the threat of potential future releases.

Your Committees received testimony in support of this measure from the Department of Health, Board of Water Supply of the City and County of Honolulu, and United States Navy Region Hawaii Program. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that in 2014, the Legislature established a task force in response to a fuel tank leak at the Red Hill Underground Fuel Storage Facility, the site of twenty tanks that are only one hundred feet above a major groundwater aquifer. The Red Hill Fuel Storage Facility Task Force made various recommendations in its report to the Legislature, including double-lining the large and aging tanks to prevent future leaks capable of contaminating a major underground aquifer. The prompt implementation of the Red Hill Fuel Storage Facility Task Force's recommendations will provide better assurance that the State's water sources are protected.

Your Committees have amended this measure by clarifying that twenty tanks, rather than two tanks, located in the Red Hill Underground Fuel Storage Facility are only one hundred feet above a major groundwater aquifer.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Health, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 174, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 174, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment
Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 1352 (Joint) Energy and Environment and Health and Public Safety, Intergovernmental and Military Affairs on S.R. No. 109

The purpose and intent of this measure is to:

- (1) Request the Department of Health, Environmental Protection Agency, Honolulu Board of Water Supply, and Navy to expeditiously implement the recommendations submitted to the Legislature by the Red Hill Fuel Storage Facility Task Force;
- (2) Urge the Navy to install double-lining at the Red Hill Fuel Storage Facility;
- (3) Urge the Department of Health, Environmental Protection Agency, Honolulu Board of Water Supply, and Navy to install additional groundwater monitoring wells and increase the frequency of all monitoring and sampling activities at the Red Hill Fuel Storage Facility; and
- (4) Urge the Department of Health, Environmental Protection Agency, and Navy to finalize a negotiated agreement for the Red Hill Fuel Storage Facility that protects drinking water resources, appropriately reports the release of petroleum, and minimizes the threat of potential future releases.

Your Committees received testimony in support of this measure from the Department of Health, Board of Water Supply of the City and County of Honolulu, and United States Navy Region Hawaii Program. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that in 2014, the Legislature established a task force in response to a fuel tank leak at the Red Hill Underground Fuel Storage Facility, the site of twenty tanks that are only one hundred feet above a major groundwater aquifer. The Red Hill Fuel Storage Facility Task Force made various recommendations in its report to the Legislature, including double-lining the large and aging tanks to prevent future leaks capable of contaminating a major underground aquifer. The prompt implementation of the Red Hill Fuel Storage Facility Task Force's recommendations will provide better assurance that the State's water sources are protected.

Your Committees have amended this measure by clarifying that twenty tanks, rather than two tanks, located in the Red Hill Underground Fuel Storage Facility are only one hundred feet above a major groundwater aquifer.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Health, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 109, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 109, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 1353 (Joint) Energy and Environment and Health and Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 57

The purpose and intent of this measure is to:

- (1) Expand the scope of the task force study on the effects of the January 2014 fuel tank leak at the Red Hill underground fuel storage facility, established under Senate Concurrent Resolution No. 73, H.D. 1, Regular Session of 2014, to include an additional twenty-six underground fuel storage tanks located throughout the State and owned by the United States military; and
- (2) Request the task force to submit another report to the Legislature to encompass the additional twenty-six tanks no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, Board of Water Supply of the City and County of Honolulu, and United States Navy Region Hawaii Program.

Your Committees find that a task force was convened to study the effects of the underground fuel tank leak at the United States Navy's Red Hill underground fuel storage facility in January 2014. In addition to the United States Navy, other branches of the United States military own an additional twenty-six underground fuel storage tanks located throughout the State. The additional twenty-six underground fuel storage tanks should be added to the scope of the task force study in the interests of public health and safety given the gravity of the Red Hill storage tank conditions.

Your Committees have amended this measure by:

- (1) Eliminating language stating that a report of the task force recommends that the United States Navy should double-line fuel tanks within a decade and that the Red Hill facility should only exist if the facility is upgraded;
- (2) Inserting language that the task force concluded that the United States Navy intends to study secondary containment options and advanced leak detection technologies in collaboration with the Department of Health and the Environmental Protection Agency; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Health, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 57, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 57, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Ihara, Slom).

Health

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

SCRep. 1354 (Joint) Hawaiian Affairs and Higher Education and the Arts on S.C.R. No. 156

The purpose and intent of this measure is to request that the University of Hawaii Office of the President and the College of Hawaiian Language form a working group to examine the expansion of Hawaiian language instruction throughout the University of Hawaii System.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, University of Hawaii System, and Ka Haka Ula O Keelikolani College of Hawaiian Language.

Your Committees find that the Hawaiian language is an official language of the State. As such, it is imperative that efforts be made to normalize the usage of the Hawaiian language in order for it to survive and thrive. Your Committees find that the formation of a working group to examine the expansion of usage of the Hawaiian language in the University of Hawaii System would help to revitalize and normalize the use of the Hawaiian language and thereby promote its survival.

Your Committees have amended this measure by:

- (1) Amending its title to expand the scope of the working group to include considering the restructuring of the College of Hawaiian Language;
- (2) Deleting language implying that the current structure of the University of Hawaii System creates barriers to the maximum use of the College of Hawaiian Language;
- (3) Inserting language requesting the working group to conduct a study on the restructuring of the College of Hawaiian Language to promote the expansion of Hawaiian language instruction;
- (4) Adding six stakeholder entities to be invited to participate in the working group; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 156, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 156, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Kahele).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Wakai).

SCRep. 1355 (Joint) Hawaiian Affairs and Higher Education and the Arts on S.R. No. 97

The purpose and intent of this measure is to request that the University of Hawaii Office of the President and the College of Hawaiian Language form a working group to examine the expansion of Hawaiian language instruction throughout the University of Hawaii System.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, University of Hawaii System, and Ka Haka Ula O Keelikolani College of Hawaiian Language.

Your Committees find that the Hawaiian language is an official language of the State. As such, it is imperative that efforts be made to normalize the usage of the Hawaiian language in order for it to survive and thrive. Your Committees find that the formation of a working group to examine the expansion of usage of the Hawaiian language in the University of Hawaii System would help to revitalize and normalize the use of the Hawaiian language and thereby promote its survival.

Your Committees have amended this measure by:

- (1) Amending its title to expand the scope of the working group to include considering the restructuring of the College of Hawaiian Language;
- (2) Deleting language implying that the current structure of the University of Hawaii System creates barriers to the maximum use of the College of Hawaiian Language;
- (3) Inserting language requesting the working group to conduct a study on the restructuring of the College of Hawaiian Language to promote the expansion of Hawaiian language instruction;
- (4) Adding six stakeholder entities to be invited to participate in the working group; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 97, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 97, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 4. Noes, none. Excused, 1 (Kahele).

Higher Education and the Arts

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Wakai).

SCRep. 1356 Hawaiian Affairs on S.C.R. No. 154

The purpose and intent of this measure is to request that the Department of Health revise its administrative rules and policies to facilitate and encourage traditional Hawaiian burials.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee, Koolaupoko Hawaiian Civic Club, Center for Hawaiian Sovereignty Studies, and Koolau Foundation.

Your Committee finds that measures are currently moving through the legislative process that would serve to promote the practice of traditional Hawaiian burials. In anticipation of their passage, your Committee believes that the Department of Health should be encouraged to develop and implement administrative rules and policies to govern traditional Hawaiian burial practices.

Your Committee has amended this measure by amending the title and body of the measure to clarify that the Department of Health is being asked to develop and implement administrative rules and policies, rather than amend existing rules.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 154, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 154, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 1357 Hawaiian Affairs on S.R. No. 96

The purpose and intent of this measure is to request that the Department of Health revise its administrative rules and policies to facilitate and encourage traditional Hawaiian burials.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee, Koolaupoko Hawaiian Civic Club, Center for Hawaiian Sovereignty Studies, and Koolau Foundation.

Your Committee finds that measures are currently moving through the legislative process that would serve to promote the practice of traditional Hawaiian burials. In anticipation of their passage, your Committee believes that the Department of Health should be encouraged to develop and implement administrative rules and policies to govern traditional Hawaiian burial practices.

Your Committee has amended this measure by amending the title and body of the measure to clarify that the Department of Health is being asked to develop and implement administrative rules and policies, rather than amend existing rules.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 96, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 96, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 1358 Health on Gov. Msg. No. 507

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF HEALTH

G.M. No. 507 VIRGINIA PRESSLER, for a term to expire 12-3-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Dr. Virginia Pressler to possess the requisite qualifications to be nominated as the Director of Health.

Your Committee received testimony in support of the nomination of Dr. Pressler from the Governor's Office; Department of Human Services; Department of Transportation; Department of Hawaiian Home Lands; Department of Budget and Finance; Communicable Disease and Public Health Nursing Division, Department of Health; State Laboratories Division, Department of Health; State Council on Developmental Disabilities; Executive Office on Aging; Hawaii Health Systems Corporation; Office of Planning and Policy, Department of Health; Hawaii Institute for Public Affairs; Hawaii Primary Care Association; Kauai Chamber of Commerce; The Queen's Health Systems; Mental Health America of Hawaii; United Public Workers, AFSCME, Local 646, AFL-CIO; Kapi'olani Health Foundation; Pali Momi Medical Center; Hawai'i Pacific Health; Wilcox Memorial Hospital; Straub Clinic and Hospital; Kapi'olani Medical Center for Women and Children; Hawaii Medical Association; Healthcare Association of Hawaii; Hawai'i Public Health Institute; American Medical Response; Hawaii Health Information Corporation; Pūlama Lāna'i; Hawaii Substance Abuse Coalition; Good Beginnings Alliance; American Congress of Obstetricians and Gynecologists, Hawaii Section; American Heart Association; Hawaii Public Health Association; Chamber of Commerce Hawaii; and forty individuals.

Dr. Pressler received a Doctor of Medicine degree from the John A. Burns School of Medicine at the University of Hawaii, Master of Science in Physiology and Master of Business Administration from the University of Hawaii, and Bachelor of Arts degree in Social Psychology from Cornell University.

Your Committee finds that, consistent with the exemplary comments submitted on her behalf, Dr. Pressler has distinguished herself in various roles in health care and public health since the early 1990s. She has demonstrated a desire to innovate the way health care is delivered in her past experiences as Vice President of The Queen's Health Systems and President and Chief Executive Officer of the Queen's/HMSA Premier Plan. Dr. Pressler continued to demonstrate excellent leadership skills as Deputy Director for Health Resources Administration for the Department of Health, where she was instrumental in obtaining sixty percent of the \$1,300,000,000 tobacco settlement fund for public health purposes. More recently, she served as the Executive Vice President and Chief Strategic Officer for Hawaii Pacific Health and was responsible for service line development, philanthropy, government relations, and strategic business development.

Dr. Pressler strives for a collaborative approach to public health, as she understands how health, education, and social services work together to address community health needs and the role of public health and medical care for the people of Hawaii. Dr. Pressler's

experience, management abilities, and professional relationships are needed in the Department of Health to continue moving the State forward by highlighting the relationship between public health and medical care, social services, education, and the environment.

Dr. Pressler indicated in her personal statement that she hopes to see a statewide interdepartmental and interdisciplinary mental health strategic plan that addresses integration of behavioral health into primary care, preventative care, transitional care for substance abuse disorders, comprehensive wrap around care for super users, and access to care for all residents of the State.

Your Committee finds that Dr. Pressler's background in the health care and public health field, as well as her decisive leadership style, will provide her with the necessary foundation to lead the Department of Health.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Riviere).

SCRep. 1359 Health on Gov. Msg. No. 508

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF HEALTH

G.M. No. 508 KEITH YAMAMOTO, for a term to expire 12-3-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Keith Yamamoto to possess the requisite qualifications to be nominated as the Deputy Director of the Department of Health.

Your Committee received testimony in support of the nomination of Keith Yamamoto from the Governor's Office; Department of Health; Department of Human Services; Department of Human Resources Development; Department of Hawaiian Home Lands; Department of Transportation; Department of Taxation; Department of Budget and Finance; Communicable Disease and Public Health Nursing Division, Department of Health; State Laboratories Division, Department of Health; Executive Office on Aging; State Council on Developmental Disabilities; Office of Planning and Policy, Department of Health; United Public Workers, AFSCME, Local 646, AFL-CIO; American Medical Response; Hale Kipa; The Salvation Army-Family Intervention Services; Chamber of Commerce Hawaii; and forty-one individuals.

Mr. Yamamoto received a Master's degree in Public Administration from the University of Hawaii at Manoa and a Bachelor of Science degree in Rehabilitation Services from the University of Northern Colorado. He is also a Certified Substance Abuse Program Administrator.

Your Committee finds that, consistent with the exemplary comments submitted on his behalf, Mr. Yamamoto has work experience in a variety of state departments, including the Department of Health, Department of Human Services, and Department of Labor and Industrial Relations. He has demonstrated an excellent understanding of and leadership disposition in his current role as Deputy Director of the Department of Health, where he oversees the general administration of the Department, including issues related to budget, facilities management, human resources, information technology, and compliance. Prior to this position, Mr. Yamamoto served as the Alcohol and Drug Abuse Administrator for the Alcohol and Drug Abuse Division and Program Development Administrator for the Office of Youth Services.

Mr. Yamamoto demonstrates a good understanding and ability to navigate the systems within the Department of Health to address the fiscal needs of the Department, while continuing to establish a foundation to effect change and improvement. He recognizes that his role is to continue to view the work of the Department as transformational and improve operational efficiencies.

Mr. Yamamoto indicated in his personal statement that, if afforded the opportunity to continue to serve as Deputy Director of the Department of Health, one of his primary objectives within the Department of Health would be to fully implement and establish permanent operational structures related to the various administration improvement projects and initiatives that have been established in recent years. He also would like to initiate projects related to the development and promulgation of administrative rules, establishing a system of training and technical support related to procurement to assist staff, and streamlining efficiencies in various human resource functions.

Your Committee finds that Mr. Yamamoto's familiarity with the Department of Health, along with his commitment to improving systems and processes within the Department of Health, will assist him in carrying out his duties as Deputy Director of the Department of Health.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Riviere, Slom).

SCRep. 1360 Ways and Means on H.B. No. 500

The purpose and intent of this measure is to appropriate funds for the operating and capital improvement budget of the executive branch for the 2015-2017 fiscal biennium.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor; Department of Accounting and General Services; Department of Commerce and Consumer Affairs; Department of Defense; Department of Education; Department of Human Resources Development; Department of Human Services; Department of Land and Natural

Resources; Department of Taxation; University of Hawaii; Hawaii Health Systems Corporation; East Hawaii Region of Hawaii Health Systems Corporation; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Kaho'olawe Island Reserve Commission; Natural Energy Laboratory of Hawaii Authority; Public Utilities Commission; Office of Information Practices; Office of the Prosecuting Attorney, County of Hawaii; BIA Hawaii; Good Beginnings Alliance; PHOCUSED; Sex Abuse Treatment Center; Project Pono; East Maui Irrigation Co., Ltd.; Community Alliance Partners of Hawaii Island; Maui Invasive Species Committee; Keaukaha Community Association; Dole Food Company Hawaii; Kailapa Community Association; and twenty-two individuals.

Your Committee received testimony in opposition to this measure from the Hawaii State Public Library System and one individual.

Your Committee received comments on this measure from the Department of Agriculture; Department of the Attorney General; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Department of Hawaiian Home Lands; Department of Health; Department of Public Safety; Department of Transportation; Hawaii Invasive Species Council; Hawaii Tourism Authority; State Council on Developmental Disabilities; Hawaii Community Development Authority; Hawaii Strategic Development Corporation; State Foundation on Culture and the Arts; State Public Charter School Commission; Mayor of the County of Maui; County of Kauai, Office of the Prosecuting Attorney; County of Maui, Department of Planning; Department of the Prosecuting Attorney, County of Maui; Early Learning Advisory Board; Maui County Early Childhood Resource Center; Catholic Diocese of Honolulu Office for Social Ministry; Child & Family Service; Coordinating Group on Alien Pest Species; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Green Growth; Hui for Excellence in Education; High Technology Development Corporation; La'i'Opua 2020; Oahu Invasive Species Committee; Pana'ewa Hawaiian Home Lands Community Association; Partners in Care; Wai'anae Coast Early Childhood Services; YWCA of Hawaii Island; YWCA of Kauai; Conservation Council for Hawaii; Hawaii Forest Industry Association; AARP Hawaii; Big Island Invasive Species Committee; Princeville Utilities Company, Inc.; The Nature Conservancy; The Trust for Public Land; University of Hawaii at Manoa Graduate Student Organization; West Maui Mountains Watershed Partnership; and twenty-four individuals.

PART I. OVERVIEW

Your Committee has formulated an executive budget that is fiscally responsible and financially prudent and that:

- (1) Identifies and funds legislative priorities;
- (2) Reflects decisions based on sound justification;
- (3) Excludes placeholders for later deliberation;
- (4) Provides for the constitutional mandate for a tax refund or a budget reserve deposit for excess general fund revenues; and
- (5) Achieves a positive budgetary target faster than originally planned.

Your Committee finds that this budget balances the need to support important and essential public priorities with the desire to avoid overtaxing Hawaii's residents and businesses. Your Committee took a very disciplined approach and made difficult decisions on funding priorities to present a budget that is suitable for immediate passage.

Your Committee has approved a Senate Draft of the executive budget that reduces the operating budget request submitted by the Administration that took office in December 2014. The Senate Draft appropriates \$12,908,263,571 in all funds, inclusive of \$6,592,275,846 in general funds, for fiscal year 2015-2016 and \$13,408,223,702 in all funds, inclusive of \$6,909,376,812 in general funds, for fiscal year 2016-2017. The following table displays the results of your Committee's actions.

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Request (Including Governor's Messages #1 & #2)	\$827,028,644	\$406,705,343	\$1,338,143,919	\$731,301,168
Senate Draft Change To Executive Request	(\$66,004,950)	(\$3,633,769)	(\$77,160,094)	(\$11,128,628)
Net Change	\$761,023,694	\$403,071,574	\$1,260,983,825	\$720,172,540

The net change of the Senate Draft results in an executive budget for fiscal biennium 2015-2017 as follows:

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Budget Act 134, SLH 2013, As Amended By Act 122, SLH 2014	\$12,147,239,877	\$6,189,204,272	\$12,147,239,877	\$6,189,204,272
Net Change Of Senate Draft	\$761,023,694	\$403,071,574	\$1,260,983,825	\$720,172,540
Total Appropriation	\$12,908,263,571	\$6,592,275,846	\$13,408,223,702	\$6,909,376,812

PART II. ECONOMY

The State of Hawaii is projected to experience continued stable economic growth. Your Committee finds that:

- (1) The University of Hawaii Economic Research Organization (UHERO) projects that the real gross domestic product will grow by 3.8 percent in 2015, 2.6 percent in 2016, and 2.0 percent in 2017. The unemployment rate is projected to be 3.8 percent in 2015, 3.6 percent in 2016, and 3.4 percent in 2017; and
- (2) The Department of Business, Economic Development, and Tourism projects that the real gross domestic product will grow by 3.1 percent in 2015, 3.0 percent in 2016, and 2.9 percent in 2017. The civilian unemployment rate is projected to be 3.9 percent in 2015, 3.6 percent in 2016, and 3.4 percent in 2017.

PART III. GENERAL FUND REVENUES

The improving economy has resulted in increases of tax revenues that include, most importantly, general fund tax revenues, which are the most substantial source of funding for the State.

At its meeting of March 12, 2015, the Council on Revenues increased its forecasts of general fund revenues for fiscal year 2014-2015. The increase was fairly significant. The Council now forecasts that general fund tax revenue growth will reach 5.5 percent in fiscal year 2014-2015, rather than the 4.5 percent forecasted on January 6, 2015. The Council also kept its forecasts for the fiscal biennium 2015-2017 at 5.5 percent annually. While the percentage increase seems small, the dollar increase is substantial. The following table displays the result.

COUNCIL ON REVENUES – DIFFERENCE IN GENERAL FUND TAX REVENUES BETWEEN FORECASTS OF MARCH 12 AND JANUARY 6, 2015 (In \$Millions)			
	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017
COR 03/12/15	5.5% \$5,665.6	5.5% \$5,977.2	5.5% \$6,306.0
COR 01/06/15	4.5% \$5,611.9	5.5% \$5,920.6	5.5% \$6,246.2
Difference	\$53.7	\$56.6	\$59.8

PART IV. COMMITTEE'S CONCEPTUAL FRAMEWORK

As a result of the increased revenue forecast, your Committee faced less pressure to reduce general fund appropriation requests than it did before the start of this Regular Session. Nevertheless, your Committee was cautious in its budget-making, refusing to take the convenient route of approving every funding request and, instead, scrutinizing the justification for each request and considering the long-term financial impact each would have. Many of your Committee's members were serving in the Legislature during the years of the Great Recession when general fund shortfalls in the billions of dollars had to be addressed by major cuts to state programs and the layoff and furlough of state employees. Learning from that experience, your Committee is reluctant to increase state government to a level that cannot be sustained if the economy moderates or contracts in the future.

Your Committee accomplished its budget-making duty in accordance with the following conceptual framework.

Legislative Priorities

Your Committee, in this budget, has exercised one of the basic duties of a legislative body: the appropriation of public funds based on legislative priorities (the other basic duty is the establishment of laws to promote the public health and safety and the general welfare).

Your Committee has chosen to fund various programs and projects that were not proposed by the Administration. This choice reflects your Committee's understanding of priorities of the Senate's members and constituents. Your Committee believes that all programs and projects funded in this manner are worthy.

Perhaps the best example of how your Committee has implemented legislative priorities is the transfer of authority over and funding for information technology and business modernization systems to the Office of the Governor. Your Committee is committed to increasing transparency and efficiency, especially in the procurement and delivery of programs and services. On that note, the significant number of separate requests from various departments and agencies to fund information technology projects and the scale of these requests were of great concern. Commonality of systems and technology, an effort to streamline and find both operational and fiscal efficiencies across executive departments, as well as general oversight and management controls appear to be lacking. Consequently, in order to establish better controls, your Committee has taken the drastic step of placing the authority over new funding requests for information technology and business modernization systems with the Office of the Governor. Your Committee has inserted a proviso into this measure that lists the specific projects identified through this biennium budget, the appropriation for which may be expended by the Governor. Your Committee emphasizes that the Governor has the discretion to determine which of the listed projects to fund or not, and to allocate resources accordingly. To assist the Governor, your Committee has transferred a position and funds from the Office of Information Management and Technology. Your Committee notes that the list also includes two projects that are legislative initiatives. One is a business optimization system for the Department of Labor and Industrial Relations and the other is a student information system for the Department of Education.

Another example of how this measure implements a legislative priority is the change of means of financing for thirty-one filled positions in the Environmental Division of the Department of Health. Your Committee worked closely with the Department of Health to change the means of financing from the environmental response revolving fund to the general fund. As has been widely reported, the program supported by the fund is currently sustained by a loan from the treasury, and the Legislature was prompted to pass an

emergency appropriation as a result of decreasing barrel tax revenues. Your Committee notes that funding positions and related fringe benefits with general fund moneys instead of environmental response revolving fund moneys provides the most sustainable option to optimally use revolving fund moneys for its intended purposes of responding to environmental emergencies. This strategy also provides the added benefit of increasing budgetary transparency and legislative oversight regarding the environmental programs of the Department of Health.

Your Committee addressed another legislative priority by continuing its commitment to paying the annual required contribution for other post-employment benefit obligations of the State. Act 268, Session Laws of Hawaii 2013, establishes a schedule for the annual required contributions intended to fully amortize the unfunded actuarial accrued liability of the State. The payments are substantial: \$742.8 million in fiscal year 2015-2016 and \$776.9 million in fiscal year 2016-2017. Your Committee has remained adamant that none of the appropriations for the payments be diverted to other public programs.

Reasoned Justification

Your Committee also has exercised its legislative duty to scrutinize funding requests of the Administration. When doing so, your Committee has examined the data objectively and relied upon factors such as program measures, unit costs, or base budget levels. In some cases, your Committee has denied a request for policy reasons, such as the denial of requests for lease rent in fiscal year 2016-2017 for departments that, at this time, plan to remain in the AAFES building on land now owned by the Office of Hawaiian Affairs in Kakaako makai. Your Committee believes that a search should commence for a more cost-beneficial alternative site for those state offices.

Exclusion of Placeholders

Your Committee has not used placeholders in this budget. Instead, your Committee has made appropriations for programs in amounts deemed necessary for operation. While this approach may result in a less favorable comparison to the reductions in this measure, as received, your Committee finds that it provides both legislative members and the general public with a true and realistic understanding of the costs we face, and makes clear what can and cannot be afforded based upon the existing obligations and commitments of the State. Your Committee also believes that its budget is more transparent and thus will elicit knowledgeable responses from affected departments that will be useful during Conference Committee deliberations.

Tax Refund/Budget Reserve Deposit Capacity

By maintaining appropriations at less than the level proposed by the Administration, your Committee believes that capacity is available for the tax refund or budget reserve deposit mandated in 2015 under Article VII, section 6, of the State Constitution. To comply with the mandate, your Committee has positioned a bill to increase the food/general excise tax credit as in 2007 and another bill to make a deposit into the emergency and budget reserve fund.

Target

Your Committee finds that this budget enhances the chance of achieving a target set by your Committee to reach positive revenues over expenditures by the end of fiscal biennium 2015-2017. General fund expenditures have exceeded revenues since fiscal year 2013-2014 and would have continued to do so through fiscal year 2017-2018 under the Administration's financial plan submitted in January. At that time, your Committee established the modest goal of reaching positive general fund revenues over expenditures by fiscal year 2016-2017, a year earlier. With the benefit of the increased revenue projection of the Council on Revenues in March and the spending restraint reflected in this budget, that target likely will be reached.

PART V. OPERATING BUDGET

Accounting and General Services

The Senate Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,449,784 in general funds and reducing \$9,643,896 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,958,006 in general funds and reducing \$5,727,311 in non-general funds.

The Administration's request was to add \$7,250,618 in general funds and reduce \$9,757,559 in non-general funds in fiscal year 2015-2016 and add \$8,464,174 in general funds and reduce \$5,954,636 in non-general funds in fiscal year 2016-2017.

Your Committee notes that there were many individual requests from various departments relating to modernization and information technology. These projects should be vetted through a system that will eliminate redundancy and ensure compatibility and effectiveness, while providing for accountability and oversight at all levels. As such, your Committee approves the transfer of the following to the Office of the Governor for executive branch information and technology and business system improvement and modernization oversight:

- (1) One position for management of executive branch information and technology and business system improvement and modernization to the Office of the Governor;
- (2) Carrier circuit costs for redundant network connectivity for information management and technology services;
- (3) Collocation costs for information management and technology services; and
- (4) Datamart system upgrades for information processing and communication services.

Your Committee recognizes the importance of the State Foundation and Culture of the Arts and that its integral role in promoting and perpetuating culture and the arts is central to the quality of life and people of Hawaii. Therefore, your Committee is providing 4.00 positions and \$113,663 in special funds in fiscal year 2015-2016 and \$227,325 in special funds in fiscal year 2016-2017 to comply with and carry out the recommendations made by the State Auditor in their most recent report.

Agriculture

The Senate Draft of the executive budget adjusts the Department of Agriculture's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,163,971 in general funds and \$1,856,930 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$554,493 in general funds and \$1,753,866 in non-general funds.

The Administration's request was to add \$148,638 in general funds and \$1,556,930 in non-general funds in fiscal year 2015-2016 and \$471,444 in general funds and \$1,803,866 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$2,000,000 in fiscal year 2015-2016 in general funds for qualified loans to promote agricultural and aquacultural development within the State. Furthermore, your Committee intends to consider appropriating an additional \$1,000,000 in another bill to provide funds for agricultural loans. These funds will support qualified farmers, create jobs, stimulate the economy, and increase Hawaii's self-reliance by raising the supply of local food.

Your Committee also approves 4.00 positions and \$110,406 in fiscal year 2015-2016 and \$220,812 in fiscal year 2016-2017 in general and revolving funds to address growing concerns relating to pesticide use. Two positions will monitor pesticide use and conduct surveillance activities in the interest of public safety and regulatory compliance. The remaining two positions will focus on administering examinations for certification, providing consultative services to commercial pest control operators and farmers, conducting informational or educational workshops, and determining eligibility standards for accreditation.

Your Committee also approves \$500,000 in fiscal year 2015-2016 in revolving funds for a study to determine the feasibility and implications of a central Oahu land exchange. The study findings will provide guidance on whether a land exchange will:

- (1) Be in the State's best interest;
- (2) Maximize land holdings and enhance the State's ability to leverage those assets to achieve the best possible economic outcome;
- (3) Ensure responsible stewardship of the 'aina; and
- (4) Protect important agricultural lands.

Attorney General

The Senate Draft of the executive budget adjusts the Department of the Attorney General's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,161,842 in general funds and reducing \$6,274,091 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,747,759 in general funds and reducing \$6,927,792 in non-general funds.

The Administration's request was to add \$5,745,601 in general funds and \$6,934,091 in non-general funds in fiscal year 2015-2016 and \$2,995,759 in general funds and \$6,927,792 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$500,000 in fiscal year 2015-2016 and \$500,000 in fiscal year 2016-2017 in general funds for vacancy savings reductions. This will allow the Department to fill vacancies on a more timely basis, which will result in more responsive service to state agencies and reduced backlog.

Your Committee also approves \$132,000 in fiscal year 2015-2016 and \$132,000 in fiscal year 2016-2017 in general funds for the Hawaii Sexual Assault Response Team. This will allow for the re-establishment of the Hawaii Sexual Assault Response and Training Program, as well as sexual assault victim examination protocols.

Your Committee also approves \$700,000 in fiscal year 2015-2016 and \$700,000 in fiscal year 2016-2017 in revolving funds for the Criminal History Record Improvement Program.

Budget and Finance

The Senate Draft of the executive budget adjusts the Department of Budget and Finance's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$172,843,443 in general funds and reducing \$13,853,279 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$404,359,179 in general funds and reducing \$11,388,326 in non-general funds.

The Administration's request was to add \$171,965,779 in general funds and reduce \$13,853,279 in non-general funds in fiscal year 2015-2016 and add \$406,945,887 in general funds and reduce \$11,388,326 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$2,392,426 in fiscal year 2015-2016 and \$53,891,586 in fiscal year 2016-2017 in general funds for debt service payments.

Your Committee approves \$65,461,245 in fiscal year 2015-2016 and \$99,799,291 in fiscal year 2016-2017 in general funds for pension accumulation and social security or Medicare payments for public employees.

Your Committee approves \$87,423,284 in fiscal year 2015-2016 and \$216,250,075 in fiscal year 2016-2017 in general funds for active employee and retiree health premium payments for public employees.

Your Committee also approves \$18,790,387 in general funds and \$2,134,819 in non-general funds in fiscal year 2015-2016 and \$36,045,294 in general funds and \$3,921,267 in non-general funds in fiscal year 2016-2017 for collective bargaining increases for public employees.

Business, Economic Development, and Tourism

The Senate Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$227,827 in general funds and \$41,772,980 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$484,988 in general funds and \$41,582,424 in non-general funds.

The Administration's request was to add \$1,195,891 in general funds and \$96,877,317 in non-general funds in fiscal year 2015-2016 and \$904,988 in general funds and \$96,662,436 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$50,000,000 in each fiscal year in trust funds for the Rental Housing Trust Fund to accommodate the issuance of general obligation bonds. This ceiling adjustment will allow the program to disburse funds to qualified developers that set aside a portion of new projects for use by very-low and low-income households. These developments will help mitigate the growing disparity between the supply and demand of affordable rental housing for Hawaii families.

Your Committee also approves 5.00 temporary positions and \$1,000,000 in each fiscal year in special funds for the Hawaii Green Infrastructure Authority, as established by Act 211, Session Laws of Hawaii (SLH) 2013, to administer loans through the Green Energy Market Securitization Program. These loans are targeted to achieve the programmatic goals of providing low-cost financing to those unable to attain loans through other means for the purpose of encouraging clean energy technologies.

Commerce and Consumer Affairs

The Senate Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$21,323,565 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$20,209,561 in non-general funds.

The Administration's request was to add \$22,901,663 in non-general funds in fiscal year 2015-2016 and \$21,044,450 in non-general funds in fiscal year 2016-2017.

In conjunction with the transfer of the Public Utilities Commission, your Committee approves \$3,562,861 in fiscal year 2015-2016 and \$731,721 in fiscal year 2016-2017 in special funds for office expansion and renovation. Your Committee also approves 3.00 positions and \$169,572 in fiscal year 2015-2016 and \$316,495 in fiscal year 2016-2017 in special funds for administrative support. These positions were established in Act 108, SLH 2014, and are pivotal in facilitating efficient regulatory action, particularly in the area of energy regulation, which has become increasingly important in light of the proposed HECO/NextEra merger.

Your Committee also approves 5.00 positions and \$258,211 in fiscal year 2015-2016 and \$516,940 in fiscal year 2016-2017 in special funds for mortgage loan originator and servicer regulation support. These additional resources will allow the Department to more adequately respond to increased workload and regulatory complexity.

Defense

The Senate Draft of the executive budget adjusts the Department of Defense's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$821,339 in general funds and reducing \$167,232 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$1,101,205 in general funds and \$1,292,182 in non-general funds.

The Administration's request was to reduce \$659,561 in general funds and \$160,207 in non-general funds in fiscal year 2015-2016 and \$1,074,642 in general funds and \$1,250,855 in non-general funds in fiscal year 2016-2017.

Your Committee understands the significance of identifying and preparing for potential disasters. In support of the Department of Defense's efforts to avert loss of life and destruction caused by major disasters, your Committee has provided \$1,500,000 in general funds in fiscal year 2015-2016 to replenish the Major Disaster Fund.

Your Committee also approves adding 5.00 positions and \$219,181 in fiscal year 2015-2016 and \$602,637 in fiscal year 2016-2017 in general funds for the Hawaii Air National Guard Campus. These positions and funds will assist with the repair, maintenance, and daily operations of the recent upgrades and new building built on the campus to house F-22 aircraft.

Your Committee also approves \$778,000 in general funds and \$1,636,720 in other federal funds in fiscal year 2015-2016 to purchase much needed heavy equipment and other services needed to conduct burials and maintain the grounds at the Hawaii State Veterans Cemetery.

Education

The Senate Draft of the executive budget adjusts the Department of Education's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$157,728,934 in general funds and reducing \$10,837,744 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$126,189,088 in general funds and reducing \$7,841,395 in non-general funds.

The Administration's request was to add \$132,767,117 in general funds and reduce \$7,841,395 in non-general funds in fiscal year 2015-2016 and add \$161,476,306 in general funds and reduce \$10,837,744 in non-general funds in fiscal year 2016-2017.

Regular Education

Your Committee also approves \$3,600,000 in each fiscal year in general funds to provide incentives payments for hard-to-fill teaching positions. These funds will be used to pay recruitment and retention incentives for hard-to-staff locations as provided for in the collective bargaining agreement between the State and the exclusive representative for bargaining unit (5).

Your Committee approves \$2,401,808 in fiscal year 2015-2016 and \$8,051,060 in fiscal year 2016-2017 in general funds for the Weighted Student Formula (WSF). These funds are to accommodate anticipated increases in enrollment growth.

Your Committee also approves \$9,000,000 in each fiscal year in general funds to account for the projected shortfall in the Department's utilities budget. Having also heard the call for empowerment and more resources brought down to the school level, with utilities funds specifically being cited, your Committee is taking a different approach to the allocation of these funds in the second year of the biennium. While the need for empowerment is understood, one cannot discount the quiet concerns that have been raised that much of a principal's day is already spent performing operational and administrative functions that may take the focus away from academic and student growth, as well as teacher and staff development. To that end, your Committee is directing the Committee on Weights to devise a distribution formula to provide funds for electricity to individual schools and to create a set of metrics aimed at incentivizing savings.

Your Committee also approved \$5,123,726 in fiscal year 2015-2016 and \$4,690,872 in fiscal year 2016-2017 in general funds to meet the projected shortfall for school food services. It should be noted that this amount is based upon recent Board of Education committee actions to recommend an increase in school lunch prices by \$.25 beginning in the 2015-2016 school year and a concurrent reduction in the Department's request for this sequence for each fiscal year.

Your Committee approves \$7,403,261 in fiscal year 2015-2016 and \$5,000,000 in fiscal year 2016-2017 in general funds for contracts to provide school transportation services to eligible regular education and special education public school students.

Your Committee is also providing \$1,000,000 in both years of the fiscal biennium, with a requirement for \$500,000 in non-state matching funds in the second fiscal year to support the ongoing collaborative efforts between the Department and the University of Hawaii at Manoa School of Nursing and Dental Hygiene through their Hawaii Keiki Initiative, which has begun to strategically place certified registered nurses or advanced practice registered in schools in an effort to improve the health of students and lay the foundation for school-based community health services. Already in place, the program has had a transformative effect by allowing nurses to provide their schools with information on the kinds of health and wellness barriers encountered by their students. Discussions are underway with private providers, funders, and the Departments of Human Services and Health regarding the ongoing and future expansion and sustainability of the program, including the ability to increase qualified Medicaid reimbursements for Department of Education students.

Libraries

The Senate Draft of the executive budget adjusts the Hawaii State Libraries' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$3,588,794 in general funds and reducing \$375,000 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$3,790,509 in general funds and reducing \$375,000 in non-general funds.

The Administration's request was to add \$3,054,586 in general funds and \$375,000 in non-general funds in fiscal year 2015-2016 and \$3,293,211 in general funds and \$375,000 in non-general funds in fiscal year 2016-2017.

Your Committee approves 1.00 position and \$847,000 in fiscal year 2015-2016 and 10.5 positions and \$441,892 in fiscal year 2016-2017 in general funds for the new Nanakuli public library. The new state-of-the-art library is under construction and due to open in 2016. The positions and funds are to staff the library, which has a special focus on community outreach and business development. These funds will also be used for startup costs for furniture, books, and other materials.

Your Committee also approves \$500,000 in each fiscal year in general funds for the repair and maintenance backlog for all libraries statewide. These funds will help fund the backlog of repairs the Department of Accounting and General Services has deemed critical for health and safety.

Charter Schools

The Senate Draft of the executive budget adjusts the appropriation for charter schools as follows:

- (1) For fiscal year 2015-2016, by adding \$9,887,829 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$10,839,592 in general funds.

The Administration's request was to add \$5,693,796 in general funds in fiscal year 2015-2016 and \$6,615,134 in general funds in fiscal year 2016-2017.

Your Committee approves \$5,822,029 in general funds in fiscal year 2015-2016 and \$5,573,899 in general funds in fiscal year 2016-2017 for per pupil funding for charter school students.

Your Committee also approves the creation of a new program ID and funding for the State Charter School Commission in accordance with Act 122, SLH 2014. As such, your Committee approved the transfer of positions and \$2,004,550 in federal funds from charter schools into a new program for the State Charter School Commission. Your Committee also approves \$1,400,000 in general funds in each fiscal year to support the Commission's operations.

Early Learning

The Senate Draft of the executive budget adjusts the Early Learning program appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$153,720 in general funds and adding \$125,628 in federal funds; and
- (2) For fiscal year 2016-2017, by reducing \$148,360 in general funds and adding \$125,628 in federal funds.

The Administration's request was to reduce \$153,720 in general funds and add \$125,628 in non-general funds in fiscal year 2015-2016 and reduce \$148,360 in general funds and add \$125,628 in non-general funds in fiscal year 2016-2017.

Your Committee approves 7.00 positions for the Early Learning Prekindergarten Program for resource teachers and an education specialist, reflecting an approval of existing positions and support for the continuation of the program.

Office of the Governor

The Senate Draft of the executive budget adjusts the Office of the Governor's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$10,416,237 in general funds and \$10,077,498 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$10,494,106 in general funds and \$16,757,498 in non-general funds.

The Administration's request was to add \$482,737 in general funds and reduce \$122,502 in federal funds in fiscal year 2015-2016 and add \$602,155 in general funds and reduce \$122,502 in federal funds in fiscal year 2016-2017.

Your Committee approves 1.00 position and \$112,500 in each fiscal year in general funds for executive branch information technology and business system improvement and modernization.

In addition, your Committee approves:

- (1) \$10,000,000 in each fiscal year in general funds;
- (2) \$1,800,000 in fiscal year 2015-2016 and \$1,600,000 in fiscal year 2016-2017 in special funds;
- (3) \$7,700,000 in fiscal year 2015-2016 and \$15,200,000 in fiscal year 2016-2017 in federal funds;
- (4) \$100,000 in fiscal year 2015-2016 and \$80,000 in fiscal year 2016-2017 in revolving funds; and
- (5) \$600,000 in fiscal year 2015-2016 in other federal funds,

for various projects transferred from other executive departments and agencies.

Your Committee also approves the transfer of 1.00 position to the Office of the Governor to assist the Governor in overseeing and implementing statewide technology and system upgrades, thus avoiding redundancies and inefficiencies. This coordinator will work at the direction of the Governor to determine the priority and immediacy of technology-related projects and provide centralized, holistic guidance in matters of information technology procurement and deployment.

Your Committee also approves the addition of 1.00 position and \$200,000 in each fiscal year in general funds for the establishment of the Office of Military Affairs and Federal Grant Maximization. Your Committee recognizes the important role of the military and federal funding in the State's overall economy and the need to maintain relations and pursue existing and future opportunities in these areas.

Hawaiian Home Lands

The Senate Draft of the executive budget adjusts the Department of Hawaiian Home Lands appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$5,227,932 in general funds; and
- (2) For fiscal year 2016-2017, by reducing \$5,227,932 in general funds.

The Administration's request was to add \$9,632,000 in general funds, \$486,416 in special funds, and \$281,177 in trust funds in fiscal year 2015-2016 and \$9,632,000 in general funds, \$633,769 in special funds, and \$397,934 in trust funds in fiscal year 2016-2017.

Your Committee approves \$4,404,068 in each fiscal year in general funds for administrative and operating costs. This represents the total salary costs of the Department's employees that were previously paid for with special funds.

Your Committee also approves \$2,290,115 in each fiscal year for fringe benefits for positions paid from general funds. This appropriation is made to the Department of Budget and Finance for distribution between the pertinent fringe benefit program IDs.

Your Committee notes that both of these appropriations are intended to meet the constitutional requirements for sufficient funds by removing personnel costs from the trust fund and allowing the Department to apply those resources to services for beneficiaries.

Health

The Senate Draft of the executive budget adjusts the Department of Health's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$34,994,294 in general funds and reducing \$62,655,349 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$40,513,483 in general funds and \$68,297,890 in non-general funds.

The Administration's request was to add \$33,425,787 in general funds and \$63,211,668 in non-general funds in fiscal year 2015-2016 and \$41,556,898 in general funds and \$68,661,239 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$4,145,695 in general funds in each fiscal year for Kupuna Care. The Department has indicated that more funding is necessary for the program to reach its intended clientele.

Your Committee approves \$2,293,143 in general funds in each fiscal year for the home- and community-based services waiver program administered by the Department's Developmental Disabilities Division. These funds will expand eligibility for waiver services to the developmentally disabled citizens from the Compact of Free Association States and from elsewhere outside the State to meet an immediate public need.

Your Committee approves additional positions and \$1,911,649 in general funds in each fiscal year for the Solid and Hazardous Waste, Safe Drinking Water, and Clean Water Branches, and the Hazard Evaluation and Emergency Response Office. Your Committee finds that the positions would be best served by changing the means of financing to general funds to provide funding security as the revenue sources for the environmental response revolving fund have declined.

The Senate Draft of the executive budget also makes other significant adjustments, including the following:

- (1) Adding \$852,600 in general funds in each fiscal year for Aging and Disability Resource Centers project Coordination for Oahu, Maui, Kauai, and Hawaii Island;
- (2) Adding \$1,750,000 in general funds in each fiscal year for in-unit security guards to deter violence and assaultive behavior, and adding \$2,997,000 in general funds in each fiscal year for the projected deficit at the Hawaii State Hospital; and
- (3) Adding \$545,030 in general funds in each fiscal year for the licensing and case management activities for adult foster family care homes and adult day care facilities.

Hawaii Health Systems Corporation

The Senate Draft of the executive budget accepted the Administration's request to adjust the Hawaii Health Systems Corporation's (HHSC) appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$21,000,000 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$21,000,000 in general funds.

Your Committee recognizes HHSC's role as a principal health care provider to Hawaii's most vulnerable citizens and visitors, especially those on the neighbor islands. HHSC is under increasing pressure as health care costs continue to rise while federal and private reimbursement rates decline. Your Committee finds that the appropriation is necessary to meet an immediate public need.

Human Services

The Senate Draft of the executive budget adjusts the Department of Human Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$16,485,380 in general funds and adding \$297,855,088 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$25,417,006 in general funds and \$381,843,332 in non-general funds.

The Administration's request was to reduce \$7,160,050 in general funds and to add \$308,889,132 in non-general funds in fiscal year 2015-2016 and add \$37,529,998 in general funds and \$401,135,623 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$1,906,000 in general funds to continue the Housing First initiative in each fiscal year. These funds will be used in conjunction with the Substance Abuse and Mental Health Services Administration grant to allow a greater percentage of program resources to go to direct housing costs. This will provide continuous funding for the Housing First initiative and is expected to provide transitional housing support and stability services to chronically homeless individuals throughout the State. Your Committee also added 2.00 positions and \$47,000 in fiscal year 2015-2016 and \$94,000 in fiscal year 2016-2017 in general funds for homeless services to increase the Department's capacity to responsibly manage and carry out its mission.

Your Committee approves \$3,000,000 in each fiscal year in general funds for the Hawaii Public Housing Authority. The funds are necessary to meet an immediate public need. The Department has indicated that funding is necessary for the program to operate and maintain state elderly and family public housing facilities.

Your Committee also approves \$4,141,800 in fiscal year 2015-2016 and \$4,858,200 in fiscal year 2016-2017 in general funds for Medicaid recipients through age six with Autism Spectrum Disorder. The Department has indicated that funding is necessary for the program to reach its intended clientele.

The Senate Draft of the executive budget also makes other significant adjustments, including the following:

- (1) Adding \$2,600,000 in each fiscal year in general funds for general assistance payments;
- (2) Adding \$11,505,000 in fiscal year 2015-2016 and \$13,495,000 in fiscal year 2016-2017 in general funds for Medicaid patients with chronic Hepatitis C virus infections; and
- (3) Adding \$1,293,800 in general funds and \$185,000 in federal funds in fiscal year 2015-2016 and \$342,000 in general funds and \$155,000 in federal funds in fiscal year 2016-2017 for the Temporary Assistance for Needy Families work program and contracted services for eligible families.

Labor and Industrial Relations

The Senate Draft of the executive budget adjusts the Department of Labor and Industrial Relations' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$26,891 in general funds and \$2,572,992 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$443,463 in general funds and \$3,515,962 in non-general funds.

The Administration's request was to add \$363,126 in general funds and \$2,617,992 in non-general funds in fiscal year 2015-2016 and \$817,200 in general funds and \$3,565,962 in non-general funds in fiscal year 2016-2017.

Your Committee approves 2.00 positions, \$16,496 in general funds, and \$44,065 in other federal funds in fiscal year 2015-2016 and \$34,036 in general funds and \$89,716 in other federal funds in fiscal year 2016-2017 for the Hawaii Occupational Safety and Health Program (HIOSH) to improve staff levels and inspection quotas of federally required benchmarks. This appropriation will provide the staffing and operational capacity required for HIOSH to remain in compliance with federal requirements.

Your Committee approves 3.00 positions and \$76,707 in fiscal year 2015-2016 and \$129,795 in fiscal year 2016-2017 in general funds for the Disability Compensation Division to accommodate persistent staffing challenges associated with providing employees with medical and economic protection afforded by the Prepaid Health Care and Temporary Disability Insurance laws. This appropriation will help address a three-month backlog in the review of plans and restore critical support to the program.

Your Committee also approves \$200,000 in each fiscal year in general funds for the premium supplementation fund. The Department has indicated that more funding is necessary for the program to reach its intended clientele.

Land and Natural Resources

The Senate Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$6,107,642 in general funds and \$3,707,866 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$5,898,711 in general funds and reducing \$3,570,963 in non-general funds.

The Administration's request was to add \$6,974,346 in general funds and \$6,206,976 in non-general funds in fiscal year 2015-2016 and add \$6,765,415 in general funds and reduce \$1,051,853 in non-general funds in fiscal year 2016-2017.

Your Committee has provided \$4,000,000 in general funds to the Hawaii Invasive Species Council. These funds will be used as part of a competitive funding grant process for invasive species prevention, control, and outreach. In addition, your Committee is conscious of the growing invasive albizia problem and the threats it poses to our communities and vital infrastructure. As such, your Committee has provided \$3,000,000 in special funds to address albizia eradication and control along public highways.

Your Committee has also provided \$1,000,000 in fiscal year 2015-2016 and \$1,000,000 in fiscal year 2016-2017 in special funds for the Division of State Parks to utilize its revenues from state park fee increases for rising utility and operational costs. Your Committee is mindful of the Department's efforts to accommodate the increase in visitors to Hawaii's state parks, despite limited funding.

Your Committee has provided 8.00 positions and \$138,515 in general funds and \$217,033 in special funds in fiscal year 2015-2016 and \$226,830 in general funds and \$270,747 in special funds in fiscal year 2016-2017 to better identify and protect and properly maintain historic properties, as well as strengthen the infrastructure for historic preservation in Hawaii.

Public Safety

The Senate Draft of the executive budget adjusts the Department of Public Safety's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$20,522,097 in general funds and \$2,317,761 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$24,805,344 in general funds and \$2,365,344 in non-general funds.

The Administration's request was to add \$20,572,097 in general funds and \$2,386,184 in non-general funds in fiscal year 2015-2016 and \$26,214,624 in general funds and \$2,433,767 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$3,164,155 in fiscal year 2015-2016 and \$2,741,454 in fiscal year 2016-2017 in general funds for costs associated with the relocation and housing of inmates at Halawa Correctional Facility while essential repairs and upgrades are completed. Your Committee recognizes that this improvement project is crucial to the health and safety of inmates and to the security of the general public.

Your Committee also approves \$1,969,338 in fiscal year 2015-2016 and \$2,133,699 in fiscal year 2016-2017 in general funds for increased food supply costs and religious food requests. The Department has been struggling to keep up with rising food costs across multiple categories, and these funds will provide the necessary level of support to keep the program operational.

Your Committee also approves \$1,117,474 in each fiscal year in general funds for full-year salaries for positions in various programs. The positions were created in 2014 and funded for six months only in response to a delay in hiring.

Taxation

The Senate Draft of the executive budget adjusts the Department of Taxation's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$1,835,785 in general funds and \$15,229 in special funds; and
- (2) For fiscal year 2016-2017, by adding \$1,929,658 in general funds and \$21,222 in special funds.

The Administration's request was to add \$1,885,785 in general funds and \$15,229 in special funds in fiscal year 2015-2016 and \$1,929,658 in general funds and \$21,222 in special funds in fiscal year 2016-2017.

Your Committee approves \$200,000 in general funds in fiscal year 2015-2016 to convene the Tax Review Commission pursuant to Article VII, section 3 of the Hawaii State Constitution.

Your Committee has also approved \$111,546 in each fiscal year in general funds for full-year salaries for positions in various programs. The positions were created in 2014 and funded for six months only in response to a delay in hiring.

Transportation

The Senate Draft of the executive budget adjusts the Department of Transportation's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$47,400,708 in special funds; and
- (2) For fiscal year 2016-2017, by adding \$37,705,909 in special funds.

The Administration's request was to reduce \$42,946,998 in special funds and add \$1,145,971 in federal funds in fiscal year 2015-2016 and to add \$45,589,453 in special funds and \$1,050,382 in federal funds in fiscal year 2016-2017.

Your Committee approves \$121,218,000 in fiscal year 2015-2016 and \$119,904,000 in fiscal year 2016-2017 in special funds for special maintenance projects throughout the State for airports, harbors, and roadways.

Your Committee also approves \$204,189,547 in fiscal year 2015-2016 and \$292,597,569 in fiscal year 2016-2017 in special funds for debt service payments from the airport revenue fund and harbors special fund. The bonds payable from this appropriation will allow for modernization and refurbishment of airport and harbor facilities across the State.

The Senate Draft of the executive budget also makes other significant adjustments, including the following:

- (1) Adding \$500,000 in each fiscal year for the Oahu van pool program;
- (2) Adding \$1,262,000 in special and federal funds in fiscal year 2016-2017 for a rescue firefighting vehicle for Lihue Airport; and
- (3) Adding \$921,000 in each fiscal year for operation of the zipper lane.

Your Committee notes that while a majority of the Department's funding requests were accommodated, serious reservations and major concerns exist with regard to the deficit spending of the state highway fund, the amount of spending across all divisions, and your Committee's difficulty in verifying the Department's justification to fund these requests. While these resources are being allocated out of special funds, they are nonetheless tax dollars and, as such, are taken very seriously. To this end, your Committee did not approve the creation of any new branches within the Highways Division. Your Committee has also inserted a requirement in the Department's budget that the purchase of any new vehicles or equipment must align with the Department's internal policy with regard to age and other standards, as some purchases reviewed by your Committee did not appear to comply with these standards.

University of Hawaii

The Senate Draft of the executive budget adjusts the University of Hawaii's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$18,418,438 in general funds and reducing \$51,423,736 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$18,637,086 in general funds and reducing \$51,340,397 in non-general funds.

The Administration's request was to add \$17,918,438 in general funds and reduce \$51,423,736 in non-general funds in fiscal year 2015-2016 and add \$18,637,086 in general funds and reduce \$51,340,397 in non-general funds in fiscal year 2016-2017.

Your Committee approves \$6,776,818 in general funds in fiscal year 2015-2016 and \$6,360,818 in general funds in fiscal year 2016-2017 for system-wide performance-based funding support. These funds will be used across all campuses to support the University's role as the State's premier institution for higher education. Your Committee has also added a requirement that, beginning in fiscal year 2016-2017, the President and Board of Regents establish and implement rigorous metrics that reflect a commitment to student achievement, access, degree attainment, and matriculation.

Your Committee also approves \$723,182 in general funds in fiscal year 2015-2016 and \$1,139,182 in general funds in fiscal year 2016-2017 for the Violence Against Women Act and Title IX. This appropriation is necessary to comply with a federal mandate.

Your Committee also approves \$500,000 in general funds in fiscal year 2015-2016 for student employees. These funds will assist students who work part-time at the University with gaining professional experience and will help offset the financial costs of attending school.

PART VI. CAPITAL IMPROVEMENTS PROGRAM BUDGET

Your Committee finds that capital improvement projects play a vital role in rebuilding the State's economy and strengthening our social infrastructure. The State is committed to expanding into new growth sectors, while remaining mindful of the current needs and priorities of the Administration, its departments, and the community at large. After carefully considering the many needs facing the State, your Committee has provided a total of \$538,277,000 for fiscal year 2015-2016 and \$255,808,000 for fiscal year 2016-2017 for projects funded by general obligation bonds and \$1,498,772,000 in fiscal biennium 2015-2017 for projects funded by all means of financing.

Your Committee crafted a capital improvement program budget that focused on funding both critical and significant capital projects that:

- (1) Address the shortage of affordable housing in Hawaii by providing funds to address the immediate repair and maintenance needs in Hawaii's public housing program, as well as the long-term financing requirements to support an expansion of affordable housing units statewide. To this objective, your Committee provided \$5,850,000 to the Hawaii Public Housing Authority and \$50,000,000 to the Rental Housing Trust Fund to build affordable housing units;
- (2) Encourage the State's expansion into new sectors that generate growth, diversify the economy, and create jobs in Hawaii, paving a brighter future for our keiki;
- (3) Renovate and maintain existing state-owned facilities to reduce general fund expenditures on recurring short-term fixes to outstanding deferred maintenance. To this objective, your Committee provided over \$220,000,000 over the fiscal biennium to fund renovations to:
 - (A) Hawaii Health Systems Corporation's network of hospitals;
 - (B) University of Hawaii campuses and Department of Education schools; and

- (C) Hundreds of other projects for the Department of Public Safety, Department of Hawaiian Home Lands, Department of Land and Natural Resources, and the Department of Accounting and General Services, among others;
- (4) Support the use of alternative energy to achieve long-term cost savings and a sustainable future for Hawaii. To this objective, your Committee provided funds for photovoltaic projects in the Hawaii Health Systems Corporation East Hawaii Region, alternative energy for the Moloaa Well, as well as several other infrastructure improvements to support green energy in the future; and
- (5) Address critical health, safety, and building code requirements with appropriations to the Department of Defense; Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; and the Department of Public Safety, among others.

Your Committee also strongly believes in supporting Hawaii's veterans by providing \$25,384,000 in general obligation bond funds that will be used to leverage an additional \$37,429,000 in federal funds to support the construction of a long-term veterans care facility on Oahu.

In addition, your Committee believes that investment in airports, harbors, and highways is necessary to address the continued influx of visitors, the efficient transport of goods within and without the State, and the day-to-day needs of our residents. Your Committee has demonstrated its commitment to transportation projects by appropriating, for fiscal biennium 2015-2017, \$1,380,184,000 for the Department of Transportation, including \$351,380,000 for state highways on every island.

Your Committee recognizes the great need in the State for services provided by non-governmental groups and nonprofit agencies. Your Committee commends these organizations for their devotion and commitment to serving the community and understands the fiscal constraints within which these organizations often operate. Your Committee will be thoroughly assessing all grant-in-aid applications alongside the State's evolving financial forecast in order to determine the most appropriate and judicious funding levels for these organizations.

In addition, your Committee provided funding for various projects within the Department of Transportation, Department of Defense, Department of Agriculture, Department of Health, Department of Education, Department of Human Services, and the University of Hawaii, among others, to ensure that matching contributions of federal, private, and other funds are maximized and not lost or forfeited.

Finally, this biennium budget provides funding for various other capital projects that your Committee believes should be included at this time, but that may warrant additional discussion as the budget is further refined during the remainder of Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 500, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 500, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 1361 Commerce and Consumer Protection on H.B. No. 271

The purpose and intent of this measure is to:

- (1) Provide cancellation rights to persons who contract to buy a short-term product in Hawaii; and
- (2) Allow disbursement of purchasers' funds to a developer; provided that the developer first posts a bond or letter of credit.

Your Committee received testimony in support of this measure from the American Resort Development Association - Hawai'i, Wyndham Vacation Ownership; Marriott Vacations Worldwide Corporation; Starwood Vacation Ownership. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs and Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that short-term products are intended to allow a potential time share buyer the opportunity to stay in a time share resort on a trial basis. If the buyer decides to proceed with a purchase, some or all of the amount paid by the buyer for the short-term product is typically credited toward the purchase price of the time share interest. Under existing law, there is a seven-day rescission right for the sale of a time share interest, but this rescission right does not apply to sales of short-term products. This measure proposes cancellation rights for persons who contract to buy a short-term product in Hawaii.

Your Committee further finds that under existing law, when a buyer purchases a time share that is in the development stage, the purchase funds may be placed in escrow and disbursed to the developer to cover construction costs. However, if the developer defaults, due to the use of subordination clauses in the purchase contract, the buyer's rights are subordinated to the rights of the construction lender. In response to this, other states have adopted laws permitting a time share developer to use buyer deposits upon posting a bond or other financial assurance to prevent the buyer's right from being subordinate to the lender. Similarly, this measure allows disbursement of purchasers' funds to a developer if the developer first posts a bond or letter of credit.

Your Committee has heard the concerns raised by the Regulated Industries Complaints Office regarding certain provisions of this measure that give cancellation rights to purchasers of short-term products in Hawaii. Your Committee has also heard the concerns raised by the Professional and Vocational Licensing Division regarding the language in this measure that would allow developers to post a surety bond instead of requiring purchasers' funds to remain in escrow prior to closing. Furthermore, concerns have been raised about the automatic exemption from chapter 468L, Hawaii Revised Statutes, as proposed by this measure, for short-term products or for the sale of short-term products, without a more workable definition for short-term product.

Your Committee notes that this measure is a work in progress and acknowledges that further discussions are warranted to ensure adequate consumer protections regarding the sale of short-term products in Hawaii. However, while discussions on this measure

continue, your Committee concludes that removing language that automatically exempts short-term products or the sale of short-term products from chapter 468L, Hawaii Revised Statutes, is appropriate until it can be shown that consumers' best interests are served by exempting short-term products from the requirements of that chapter.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that stated the offer of sale of short-term products by the developer or an affiliate of the developer would not be subject to chapter 468L, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 271, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 271, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1362 Commerce and Consumer Protection on H.B. No. 1099

The purpose and intent of this measure is to:

- (1) Allow for timely replacement of a scoreboard at the Waipio Peninsula Soccer Stadium by authorizing the display of an outdoor advertising device at the Waipio Peninsula Soccer Stadium, subject to appropriate approval; provided that the scoreboard faces the stadium interior and is not visible from any thoroughfare; and
- (2) Specify placement and size limitations for the outdoor advertising device at the Waipio Peninsula Soccer Stadium.

Your Committee received testimony in support of this measure from Outrigger Hotels & Resorts.

Your Committee finds that the University of Hawaii's Rainbow Wahine soccer team currently plays at the Waipio Peninsula Soccer Stadium. Your Committee further finds that the scoreboard at the stadium was found to be non-conforming by the National Collegiate Athletic Association. This measure ensures that the University of Hawaii's Rainbow Wahine soccer team has access to a scoreboard that is compliant with National Collegiate Athletic Association requirements by authorizing a specific, limited outdoor advertising device that would allow for timely replacement of the non-conforming scoreboard.

Your Committee has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1099, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1099, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 1363 Judiciary and Labor on H.B. No. 87

The purpose and intent of this measure is to:

- (1) Require independent civil process servers to meet additional requirements in order to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Shield process servers from prosecution under criminal trespass statutes when performing their duties under certain circumstances; and
- (3) Make permanent Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve civil legal process.

Your Committee received testimony in support of this measure from the Department of Public Safety; Collection Law Section, Hawaii State Bar Association; Hawaii Process Server Commission; and one individual. Your Committee received comments on this measure from the Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committee finds that process servers are an important part of the judicial process. This measure provides additional process server requirements to improve the quality of civil process servers without placing an undue burden on individuals who seek to be included on the Director of Public Safety's list of qualified civil process servers and allows process servers to enter or remain in or upon the premises of another for the purpose of making a good faith attempt to serve process upon certain individuals.

Your Committee has amended this measure by clarifying the definition of "process server" under the offense of criminal trespass in the second degree.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 87, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 87, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 1364 Judiciary and Labor on H.B. No. 279

The purpose and intent of this measure is to allow the Real Estate Commission to take disciplinary action if a real estate broker or real estate salesperson for a seller or buyer of real estate acts in a manner that prohibits a prospective purchaser or seller from being able to retain a real estate broker or real estate salesperson.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Real Estate Commission. Your Committee received comments on this measure from the Hawaii Association of REALTORS.

Your Committee finds that this measure adds a new basis for disciplinary action against a real estate broker or salesperson who acts in a manner that prohibits a seller or purchaser of real estate from retaining the services of a real estate broker or salesperson. According to testimony received by your Committee, there may be instances where prospective buyers are prohibited from obtaining the services of a real estate broker or salesperson when purchasing real estate. This measure discourages these practices and protects consumers by focusing on the conduct of a real estate broker or salesperson acting on behalf of either the seller or the purchaser.

However, your Committee has questions regarding specific types of actions that this measure is intended to address and encourage further discussion on these matters as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Changing the effective date from November 1, 2015, to November 2, 2015; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 279, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 279, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1365 Judiciary and Labor on H.B. No. 393

The purpose and intent of this measure is to waive the water quality certification requirement of the Department of Health for the restoration, repair, maintenance, and operation of traditional Hawaiian fishponds, or loko i'a, that have been issued a permit under the Statewide Programmatic General Permit process administered by the Department of Land and Natural Resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Aha Moku Advisory Committee; 'Ahahui o Hawai'i; Honua Consulting; Kalihi Palama Hawaiian Civic Club; The Nature Conservancy; Land Use Research Foundation; Filipino Law Students Association; Ko'olau Foundation; Ko'olau-poko Hawaiian Civic Club; and twenty-four individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the existing permit process for repair or restoration of loko i'a may be time-consuming, complicated, confusing, and inconsistent across agencies. This measure addresses the decade long difficulties that have been faced by people seeking to restore, repair, maintain, and operate loko i'a.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 393, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 393, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 1366 (Majority) Judiciary and Labor on H.B. No. 1272

The purpose and intent of this measure is to:

- (1) Require every motion picture theater operator in more than two locations in the State to provide open movie captioning during at least two showings per week of each motion picture that is offered for viewing;
- (2) Require motion picture theater operators in the State to provide audio description upon request of any motion picture that is produced and offered with audio description; and
- (3) Allow a motion picture theater operator to show a motion picture that is produced and distributed without captioning and audio description if the motion picture theater operation provides notice to the public accordingly.

Your Committee received testimony in support of this measure from the Department of Human Services, State Council on Developmental Disabilities, Disability and Communication Access Board, Hawaii Civil Rights Commission, Aloha State Association of the Deaf, Gallaudet University Alumni Association – Hawaii Chapter, Hawaii Deaf Surfriders Association, twenty individuals, and a petition with sixty-three signatures. Your Committee received testimony in opposition to this measure from the Motion Picture Association of America, Inc.

Your Committee finds that individuals who are deaf, hard of hearing, or blind or have poor vision often encounter communication barriers at movie theaters. According to testimony received by your Committee, movie theaters may make captioning available via the use of various assistive devices; however, these devices are uncomfortable and often hard to use. Further, some movie theaters

unilaterally select and provide only one form of access for persons with disabilities, and that form of access is not always conducive to a comfortable and enjoyable movie theater experience.

Your Committee further finds that the discriminatory effects of these communication barriers are contrary to the full inclusion of persons with disabilities contemplated by the federal Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, as amended. This measure proposes to remove these communication barriers and provide equal access to persons who are deaf, hard of hearing, or blind or have poor vision by requiring motion picture theaters with operations at more than two facilities in the State to provide open movie captioning and descriptive narration for at least two showings per week of a motion picture.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii Civil Rights Commission that:
 - (A) Broadens the requirements of open movie captioning and audio description to a public accommodation that owns, leases, leases to, or operates a motion picture theater rather than a motion picture theater operator; and
 - (B) Specifies that showings with open movie captioning and audio description apply to motion pictures that are produced and offered with those features;
- (2) Inserting a sunset date of January 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1272, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1272, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Espero).

SCRep. 1367 Judiciary and Labor on H.B. No. 1297

The purpose and intent of this measure is to amend the penal code to allow for the preparation of a corpse for burial and burial of a corpse consistent with traditional Hawaiian cultural customs and practices.

Your Committee received testimony in support of this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that this measure would allow for the preparation and burial of iwi to be cost efficient and a more efficient use of limited burial space. Your Committee further finds that a large number of the requests for financial assistance made to the Office of Hawaiian Affairs each year arise from funeral and burial costs that the families cannot afford. This measure would help to address this situation.

Your Committee has amended this measure by deleting its contents and inserting language from S.B. No. 1166, S.D. 2 (Regular Session of 2015), a substantially similar companion measure that was earlier passed by the Senate, which:

- (1) Provides that the preparation of a corpse for burial or cremation in a manner consistent with traditional Hawaiian cultural customs and practices and the burial or cremation of a corpse prepared consistent with traditional Hawaiian customs and practices shall not constitute the abuse of a corpse within the penal code; and
- (2) Inserts an effective date of January 7, 2059.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1297, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1297, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1368 Ways and Means on S.C.R. No. 10

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-543 Inoa Street, Waimanalo, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that prior approval of the Legislature by concurrent resolution is necessary to sell certain state lands in fee simple, pursuant to section 171-64.7, Hawaii Revised Statutes. That section also requires an informational briefing to be held by the transferring agency in the community where the land to be transferred is located.

Your Committee also finds that the Hawaii Housing Finance and Development Corporation gave notice and conducted a public informational briefing on the sale of this parcel on September 9, 2014, in the Waimanalo School cafeteria, at which no objection to the proposed sale was received. Accordingly, your Committee further finds that the Hawaii Housing Finance and Development Corporation has met the requirements necessary for approval of the sale of the leased fee interest in 41-543 Inoa Street, Waimanalo, Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 10 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1369 Ways and Means on S.C.R. No. 8

The purpose and intent of this measure is to approve the sale of the leased fee interest in land at 41-665 Inoaole Street, Waimanalo, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that prior approval of the Legislature by concurrent resolution is necessary to sell certain state lands in fee simple, pursuant to section 171-64.7, Hawaii Revised Statutes. That section also requires an informational briefing to be held by the transferring agency in the community where the land to be transferred is located.

Your Committee also finds that the Hawaii Housing Finance and Development Corporation gave notice and conducted a public informational briefing on the sale of this parcel on September 9, 2014, in the Waimanalo School cafeteria, at which no objection to the proposed sale was received. Accordingly, your Committee further finds that the Hawaii Housing Finance and Development Corporation has met the requirements necessary for approval of the sale of the leased fee interest in 41-665 Inoaole Street, Waimanalo, Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 8, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1370 Ways and Means on S.C.R. No. 17

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 4-4-022: seaward of 007, Kaneohe, Koolauapoko, Oahu, for the use, maintenance, and repair of the existing CRM wall, landscaping area, floating dock, and concrete pier purposes constructed thereon.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that issuing an easement to the owners, Clifford and Renee Tillotson, to resolve the encroachments of a CRM wall, landscaping area, floating dock, and concrete pier that appear to have been present since 1963 on state submerged lands fronting the property identified as Tax Map Key: (1) 4-4-022: seaward of 007, Kaneohe, Koolauapoko, Oahu is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 17 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1371 Ways and Means on S.C.R. No. 2

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement to Kahaluu Pond, Inc., for the use, repair, and maintenance of the seawall located at Kahaluu, Koolauapoko, Oahu, TMK: (1) 4-7-011: seaward of 0001, for a term of fifty-five years, as approved by the Board of Land and Natural Resources.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the Kahaluu Fish Pond is on the State and National Registers of Historic Sites, and that state and federal officials have supported the restoration and maintenance of Hawaiian fishponds.

Your Committee further finds that it is critical that Kahaluu Pond, Inc., be able to repair, replace, and maintain the existing seawall of this historic property.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 2 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1372 Ways and Means on S.C.R. No. 25

The purpose and intent of this measure is to issue a term lease of fifty-five years and non-exclusive easement for approximately twenty-five square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17 for tide pool stairs encroachment purposes.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the tide pool stairs in the Manele-Hulopoe Marine Life Conservation District on the island of Lanai were created by the International Longshore and Warehouse Union during the Lanai pineapple strike of 1951, occupy approximately twenty-five square feet seaward of parcel 002, Pulawai, Lanai, identified by Tax Map Key: (2) 4-9-17, and were reconstructed in 2006 to include a guard rail.

Your Committee further finds that the Office of Conservation and Coastal Lands of the Department of Land and Natural Resources has concluded that no further permits would be required for the stairs or their 2006 repair, and that on June 13, 2014, the Board of Land

and Natural Resources approved a request by Pulama Lanai for a 55-year term, non-exclusive easement for the tide pool stairs to resolve an encroachment. Accordingly, your Committee finds that the issuance of the lease and non-exclusive easement is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 25, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1373 Ways and Means on S.C.R. No. 15

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 5-6-003: seaward of 010, Kahuku, Koolauloa, Oahu, for the use, maintenance, and repair of the existing drainage structure constructed thereon.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the issuance of an easement to Makai Ranch, LLC, to resolve the encroachment of an abandoned drainage structure on state submerged lands, fronting the property identified as Tax Map Key: (1) 5-6-003: seaward of 010, Kahuku, Koolauloa, Oahu is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 15 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1374 Ways and Means on S.C.R. No. 16

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 5-4-010: seaward of 009, Hauula, Koolauloa, Oahu, for the use, maintenance, and repair of a portion of the existing family residence, foundation, and lanai constructed thereon.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that the Board of Land and Natural Resources has approved the issuance of a 55-year non-exclusive easement to property owners Scott and Beverly Miyasaki, and Tracy Lindo, to resolve the encroachments of a family residence, its foundation, and lanai on state submerged lands fronting the property identified as Tax Map Key: (1) 5-4-010: seaward of 009, Hauula, Koolauloa, Oahu. Accordingly, your Committee finds that the issuance of the easement is in the best interest of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 16 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1375 Ways and Means on S.C.R. No. 12

The purpose and intent of this measure is to approve the sale of the leased fee interest in land at 95-015 Kuahelani Avenue, No. 319, Mililani, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that prior approval of the Legislature by concurrent resolution is necessary to sell certain state lands in fee simple, pursuant to section 171-64.7, Hawaii Revised Statutes. That section also requires an informational briefing to be held by the transferring agency in the community where the land to be transferred is located. Your Committee also finds that the Hawaii Housing Finance and Development Corporation gave notice and conducted a public informational briefing on the sale of this parcel on August 19, 2014, in the Mililani High School cafeteria, at which no objection to the proposed sale was received. Accordingly, your Committee further finds that the Hawaii Housing Finance and Development Corporation has met the requirements necessary for approval of the sale of the leased fee interest in 95-015 Kuahelani Avenue, No. 319, Mililani, Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 12 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1376 Judiciary and Labor on S.C.R. No. 128

The purpose and intent of this measure is to:

- (1) Request the Department of Public Safety to form a working group to examine smarter sentencing to improve the quality and reliability of state criminal sentencing policies and practices; and
- (2) Request that the working group submit a report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons and The Sex Abuse Treatment Center. Your Committee received testimony in opposition to this measure from the Department of Public Safety.

Your Committee finds that the increasing number of individuals imprisoned has led to rising operating costs, community reliance on incarceration, and growing numbers of inmates prematurely released from prison each year. Interdependency among participants in the judicial process needs to be recognized in working with each other and in the decision-making processes regarding offenders. A working group to examine smarter sentencing, which enhances the decision making ability of criminal justice stakeholders in the selection and application of fair and efficient sanctioning goals, will improve the quality of the State's criminal sentencing practices.

Your Committee notes the concerns raised in the written testimony submitted by the Department of Public Safety that the Department would not be able to fulfill the requirements under this measure. The Department testified that it does not participate in the adjudication and sentencing phases of the judicial proceedings aside from housing those detained by the courts.

Accordingly, your Committee has amended this measure by:

- (1) Identifying the Judiciary, rather than the Department of Public Safety, as the body responsible for forming the working group to examine smarter sentencing;
- (2) Amending the title accordingly;
- (3) Expanding the working group to include the Director of Public Safety; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 128, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 128, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1377 Judiciary and Labor on S.C.R. No. 88

The purpose and intent of this measure is to:

- (1) Request the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to assess the means by which state and county agencies generally notify individuals following a breach of personal information; and
- (2) Request the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, to research certain items and submit a report of findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2016.

Your Committee did not receive any testimony on this measure.

Your Committee finds that chapter 487N, Hawaii Revised Statutes, sets forth procedures for state and county government agencies to report to the Legislature certain information after the discovery of a security breach. Despite the statutory requirements for notice and the ongoing efforts by the Information Privacy and Security Council to make recommendations to protect personal information used by government agencies, further improvements to the notification process are necessary. Accordingly, this measure requests that the Information Privacy and Security Council, in cooperation with the State Chief Information Officer Council, research and provide recommendations on amending or implementing new methods to more securely and promptly provide notification.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 88, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1378 Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 71

The purpose and intent of this measure is to urge the counties to protect the public interest by engaging private property owners in sharing in the costs of mitigating the potential risks and hazards posed by trees on their property.

Your Committee did not receive any testimony on this measure.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and replaces them with language that:

- (1) Requests the Hawaii Emergency Management Agency to conduct a study regarding the feasibility and cost of constructing a small, rural landing site or airstrip for use by the National Guard and emergency responders in south Puna and evaluate the possibility of using basalt rebar or lunar basaltic cement in the construction;
- (2) Requests the Hawaii Emergency Management Agency to report its findings and recommendations, including any proposed legislation, to the Legislature; and
- (3) Amends the title accordingly.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; Hawaii Fire Department of the County of Hawaii; and seven individuals. Your Committee received comments on the proposed S.D. 1 from one individual.

Your Committee finds that Puna, on the Island of Hawaii, is an incredibly large district that is located in an active lava zone. Many people in Puna have been and will be cut off from supplies and emergency services as a result of the lava currently threatening to cross Highway 130. The closest commercial airport to Puna is Hilo Airport, a roundtrip that would increase the commute time to the closest airport by six to eight hours if lava crosses the highway. Your Committee further finds that there is an abundance of basalt on the Island of Hawaii, and basalt rebar weighs twenty-five percent less than and is two hundred percent stronger than steel rebar. The Pacific International Space Center for Exploration Systems is working on a basalt rebar initiative, including the construction of a basalt rebar plant, on the Island of Hawaii.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 71, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 71, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1379 Public Safety, Intergovernmental and Military Affairs on S.C.R. No. 91

The purpose and intent of this measure is to urge the President of the United States and United States Congress to support legislation to expedite family reunification for certain Filipino veterans of World War II.

Your Committee received testimony in support of this measure from the State Office of Veterans Services; Hawaii Civil Rights Commission; Veterans of Foreign Wars of the United States, Hawaii; and two individuals.

Your Committee finds that during World War II, nearly one hundred thousand soldiers of the Philippine Commonwealth Army fought alongside United States and Allied forces for four long years to defend and reclaim the Philippine Islands from Japanese aggression. In 1990, the United States Congress enacted legislation that provided Filipino veterans with a waiver from certain immigration and naturalization requirements in recognition of the courage and loyalty of the Filipino veterans who fought alongside United States Armed Forces in the Pacific during World War II. However, the 1990 legislation did not go far enough in extending immigration and naturalization benefits to the children of Filipino veterans, resulting in years of long separation between the veterans and their children remaining in the Philippines awaiting the issuance of immigrant visas. Legislation advancing family reunification for certain Filipino veterans of World War II will honor the veterans' courage, sacrifice, and loyalty.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 91, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 91, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1380 Public Safety, Intergovernmental and Military Affairs on S.R. No. 44

The purpose and intent of this measure is to urge the President of the United States and United States Congress to support legislation to expedite family reunification for certain Filipino veterans of World War II.

Your Committee received testimony in support of this measure from the State Office of Veterans Services; Hawaii Civil Rights Commission; Veterans of Foreign Wars of the United States, Hawaii; and two individuals.

Your Committee finds that during World War II, nearly one hundred thousand soldiers of the Philippine Commonwealth Army fought alongside United States and Allied forces for four long years to defend and reclaim the Philippine Islands from Japanese aggression. In 1990, the United States Congress enacted legislation that provided Filipino veterans with a waiver from certain immigration and naturalization requirements in recognition of the courage and loyalty of the Filipino veterans who fought alongside United States Armed Forces in the Pacific during World War II. However, the 1990 legislation did not go far enough in extending immigration and naturalization benefits to the children of Filipino veterans, resulting in years of long separation between the veterans and their children remaining in the Philippines awaiting the issuance of immigrant visas. Legislation advancing family reunification for certain Filipino veterans of World War II will honor the veterans' courage, sacrifice, and loyalty.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 44, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 44, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1381 Commerce and Consumer Protection on S.R. No. 65

The purpose and intent of this measure is to encourage food service facilities in the State that offer a children's menu with various meal options, or a meal that is represented as a children's meal, to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage in the meal or menu option.

Your Committee received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, Hawai'i Public Health Institute, and American Heart Association.

Your Committee finds that, on average, children consume almost twice as many calories from a restaurant meal as they do from a meal cooked at home. Adding sugar sweetened beverages to these meals adds calories and sugar that may contribute to obesity and health problems. Your Committee further finds that a 2011 report from the federal Centers for Disease Control and Prevention recommends increasing access to quality and affordable healthy foods and beverages as a way to improve the food environment for children. This measure encourages food service facilities in the State to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage option. Ensuring healthy options are the default option in children's meals can be part of the overall strategy to reduce the consumption of added sugar at meals, which may help reduce the prevalence of obesity in Hawaii.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 65 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1382 Commerce and Consumer Protection on S.C.R. No. 114

The purpose and intent of this measure is to encourage food service facilities in the State that offer a children's menu with various meal options, or a meal that is represented as a children's meal, to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage in the meal or menu option.

Your Committee received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, Hawai'i Public Health Institute, and American Heart Association.

Your Committee finds that, on average, children consume almost twice as many calories from a restaurant meal as they do from a meal cooked at home. Adding sugar sweetened beverages to these meals adds calories and sugar that may contribute to obesity and health problems. Your Committee further finds that a 2011 report from the federal Centers for Disease Control and Prevention recommends increasing access to quality and affordable healthy foods and beverages as a way to improve the food environment for children. This measure encourages food service facilities in the State to serve children's meals with higher nutritional quality and include only bottled water or low-fat milk as the default beverage option. Ensuring healthy options are the default option in children's meals can be part of the overall strategy to reduce the consumption of added sugar at meals, which may help reduce the prevalence of obesity in Hawaii.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 114 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1383 Commerce and Consumer Protection on S.R. No. 57

The purpose and intent of this measure is to urge the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Office of Hawaiian Affairs, and Hawai'i Primary Care Association. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that social determinants such as housing, education, social services, leisure activities, culture, and public safety may have significant impacts on the health and well-being of individuals within specific demographics and in the general population. To address disparate health outcomes amongst specific demographics and improve the overall health and well-being of the overall community, current best practices in health planning support policies that consider the social determinants of health-vulnerable groups. Accordingly, this measure urges the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committee notes the concerns raised in testimony from the Department of Human Services that there may be some overlap in tasks assigned to current and proposed task forces and working groups. The Department of Human Services also noted that the size of the working group proposed by this measure is large, which may make it difficult to identify priorities, work on issues, and reach agreement on all items the working group must address. Your Committee understands these concerns and believes these issues merit further discussion as this measure moves through the legislative process.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 57, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 57, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1384 Commerce and Consumer Protection on S.C.R. No. 103

The purpose and intent of this measure is to urge the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Office of Hawaiian Affairs, and Hawai'i Primary Care Association. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that social determinants such as housing, education, social services, leisure activities, culture, and public safety may have significant impacts on the health and well-being of individuals within specific demographics and in the general population. To address disparate health outcomes amongst specific demographics and improve the overall health and well-being of the overall community, current best practices in health planning support policies that consider the social determinants of health-vulnerable groups. Accordingly, this measure urges the reestablishment of a working group to examine social determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals.

Your Committee notes the concerns raised in testimony from the Department of Human Services that there may be some overlap in tasks assigned to current and proposed task forces and working groups. The Department of Human Services also noted that the size of the working group proposed by this measure is large, which may make it difficult to identify priorities, work on issues, and reach agreement on all items the working group must address. Your Committee understands these concerns and believes these issues merit further discussion as this measure moves through the legislative process.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 103, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 103, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1385 Commerce and Consumer Protection on S.R. No. 20

The purpose and intent of this measure is to request the Department of Education and Department of Commerce and Consumer Affairs to:

- (1) Convene a working group to evaluate the licensing of private trade, vocational, and technical schools in the State and consider alternative licensing program structures or models that are in the best interest of private trade, vocation, and technical schools and for students in the State; and
- (2) Submit a report of the working group's findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the Department of Education is not properly equipped to effectively administer the licensure of private trade, vocational, and technical schools. Your Committee further finds that the Department of Commerce and Consumer Affairs has experience in the licensure of professions and businesses and may be better equipped to oversee the administration of licensure for private trade, vocational, and technical schools. This measure improves the licensure process for private trade, vocational, and technical schools in Hawaii by requesting the Department of Education and Department of Commerce and Consumer Affairs to convene a working group to evaluate the licensing of these schools, consider alternative licensing structures or models, and ensure licensure procedures adequately protect consumers and ensure adequate educational quality at private trade, vocational, and technical schools.

Your Committee notes that restructuring of the private trade, vocational, and technical schools licensure program, including potential alternative licensing program structures that differ from the Department of Education's long-standing licensing fee structures, could have an impact on existing schools and students. Accordingly, your Committee concludes it is appropriate for the working group to examine any potential impacts on these schools and students that may result from a change in fees or related licensing costs.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Education and Department of Commerce and Consumer Affairs are requested to convene a working group in collaboration with existing licensed private trade, vocational, and technical schools in the State; and
- (2) Requesting the working group to examine potential impacts to private trade, vocational, and technical schools and their students resulting from changes in fees or related licensing costs associated with a new licensing system.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 20, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 20, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1386 Commerce and Consumer Protection on S.C.R. No. 46

The purpose and intent of this measure is to request the Department of Education and Department of Commerce and Consumer Affairs to:

- (1) Convene a working group to evaluate the licensing of private trade, vocational, and technical schools in the State and consider alternative licensing program structures or models that are in the best interest of private trade, vocation, and technical schools and for students in the State; and
- (2) Submit a report of the working group's findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the Department of Education is not properly equipped to effectively administer the licensure of private trade, vocational, and technical schools. Your Committee further finds that the Department of Commerce and Consumer Affairs has experience in the licensure of professions and businesses and may be better equipped to oversee the administration of licensure for private trade, vocational, and technical schools. This measure improves the licensure process for private trade, vocational, and technical schools in Hawaii by requesting the Department of Education and Department of Commerce and Consumer Affairs to convene a working group to evaluate the licensing of these schools, consider alternative licensing structures or models, and ensure licensure procedures adequately protect consumers and ensure adequate educational quality at private trade, vocational, and technical schools.

Your Committee notes that restructuring of the private trade, vocational, and technical schools licensure program, including potential alternative licensing program structures that differ from the Department of Education's long-standing licensing fee structures, could have an impact on existing schools and students. Accordingly, your Committee concludes it is appropriate for the working group to examine any potential impacts on these schools and students that may result from a change in fees or related licensing costs.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Education and Department of Commerce and Consumer Affairs are requested to convene a working group in collaboration with existing licensed private trade, vocational, and technical schools in the State; and
- (2) Requesting the working group to examine potential impacts to private trade, vocational, and technical schools and their students resulting from changes in fees or related licensing costs associated with a new licensing system.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 46, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 46, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 1387 (Joint) Transportation and Health on S.C.R. No. 142

The purpose and intent of this measure is to request the Department of Transportation to assess the incidence of alcohol-related motor vehicle accidents in the State and their associated medical costs.

Your Committees received testimony in support of this measure from the John A. Burns School of Medicine, University of Hawaii at Manoa; Mothers Against Drunk Driving Hawaii; and one individual. Your Committees received testimony in opposition to this measure from the Department of Transportation.

Your Committees find that alcohol-related motor vehicle accidents are a persistent problem in the State. These accidents have a devastating impact on victims, their families, and society in general. Providing medical treatment to the victims of alcohol-related accidents can also be very costly.

Your Committees further find that there is a need to better understand the number, impact, and cost of alcohol-related motor vehicle accidents in the State. Quantifying the effects of these accidents will help demonstrate the need for enhanced prevention efforts and to prepare for and address their associated financial costs.

Your Committees have amended this measure by:

- (1) Requesting the Department of Health to conduct the assessment of alcohol-related motor vehicle accidents, rather than the Department of Transportation;
- (2) Adding all types of alcohol-related injuries to the scope of the Department of Health's assessment;
- (3) Clarifying that the University of Hawaii John A. Burns School of Medicine is requested to collaborate with the Department of Health for purposes of assessing the incidence of alcohol-related motor vehicle accidents and alcohol-related injuries in the State and their associated medical costs;
- (4) Requesting the police department of each county to assist the Department of Health in providing statistics of alcohol-related motor vehicle accidents and alcohol-related injuries in each of their respective counties;
- (5) Amending the title to reflect its amended purpose; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 142, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 142, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Inouye, Slom).

Health

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Slom).

SCRep. 1388 Education on S.C.R. No. 183

The purpose and intent of this measure is to request the Executive Office on Aging to convene an adult education working group to review adult education services and opportunities presently offered to seniors, consider whether it would be effective to consolidate some programs in order to provide new learning opportunities, and explore other potential education programs that might be beneficial to seniors.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that funding for education services for senior citizens is limited, and must be used efficiently. Eliminating redundancy may free up funds to allow a more diverse offering of learning opportunities for seniors. Bringing together senior citizen support service providers to discuss current services, determine whether consolidation of programs may be appropriate, and explore potential new programs will help the network of services be more efficient and meet a broader range of needs.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Slom).

SCRep. 1389 Education on S.R. No. 118

The purpose and intent of this measure is to request the Executive Office on Aging to convene an adult education working group to review adult education services and opportunities presently offered to seniors, consider whether it would be effective to consolidate some programs in order to provide new learning opportunities, and explore other potential education programs that might be beneficial to seniors.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that funding for education services for senior citizens is limited, and must be used efficiently. Eliminating redundancy may free up funds to allow a more diverse offering of learning opportunities for seniors. Bringing together senior citizen support service providers to discuss current services, determine whether consolidation of programs may be appropriate, and explore potential new programs will help the network of services be more efficient and meet a broader range of needs.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 118, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Slom).

SCRep. 1390 Ways and Means on S.C.R. No. 90

The purpose and intent of this measure is to encourage the Department of Public Safety to continue and expand its structured community placement programs to assist in transitioning formerly incarcerated female inmates back into society.

Your Committee received written comments in support of this measure from the Community Alliance on Prisons.

Your Committee finds that a majority of female offenders in the State commit non-violent crimes and do not pose a threat to the community. Structured community placement programs create an integrated and seamless re-socialization and reentry process to help formerly incarcerated females adjust to greater independence as they transition and reunite with their children, families, and the community. Your Committee further finds that each female transferred from incarceration to a structured community placement program would provide cost savings to the Department of Public Safety because the cost of incarceration per inmate is \$134 per day compared to the \$50 cost per day in a structured community placement program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 90 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1391 Ways and Means on S.R. No. 54

The purpose and intent of this measure is to address the shortage of public school teachers within the Department of Education.

More specifically, this measure requests that the Legislative Reference Bureau, in consultation with the Department of Education and University of Hawaii at Manoa College of Education, prepare a study that examines and provides recommendations on improving the retention of teachers within the Department of Education.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association and the Hui for Excellence in Education. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that there is a systemic shortage of public school teachers within the Department of Education, which is exacerbated by multiple factors, including a limited pool of qualified applicants and the challenge of retaining teachers once employed. Your Committee further finds that the retention of highly qualified teachers in public schools is critical to achieving long-standing educational goals and academic standards set by the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 54 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1392 Ways and Means on S.C.R. No. 100

The purpose and intent of this measure is to address the shortage of public school teachers within the Department of Education.

More specifically, this measure requests that the Legislative Reference Bureau, in consultation with the Department of Education and University of Hawaii at Manoa College of Education, prepare a study that examines and provides recommendations on improving the retention of teachers within the Department of Education.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association and the Hui for Excellence in Education. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that there is a systemic shortage of public school teachers within the Department of Education, which is exacerbated by multiple factors, including a limited pool of qualified applicants and the challenge of retaining teachers once employed. Your Committee further finds that the retention of highly qualified teachers in public schools is critical to achieving long-standing educational goals and academic standards set by the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 100 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1393 Ways and Means on S.C.R. No. 129

The purpose and intent of this measure is to request the Governor and the Director of Finance to include additional information in their budget submissions.

Specifically, the measure requests that the Governor and Director of Finance include, in the budget documents submitted to the Legislature, the following information relating to state assets:

- (1) An appropriation amount for the cost of maintenance, repair, renovation, reconstruction, and replacement of state assets;
- (2) A proposed schedule of repair and maintenance of state assets; and
- (3) A plan for the replacement, reconstruction, or redevelopment of state assets.

Your Committee finds that repair, maintenance, and other life-cycle costs are not included in budgeted costs of state projects or state assets. Incorporating these costs into the initial budget documents relating to state assets will prevent budget shortfalls due to future repair, maintenance, renovation, reconstruction, and replacement of state assets. Your Committee finds that these additional items of information will greatly assist the Legislature in determining which proposed capital improvement projects will be authorized under the budget acts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1394 Ways and Means on S.R. No. 77

The purpose and intent of this measure is to request the Governor and the Director of Finance to include additional information in their budget submissions.

Specifically, the measure requests that the Governor and Director of Finance include, in the budget documents submitted to the Legislature, the following information relating to state assets:

- (1) An appropriation amount for the cost of maintenance, repair, renovation, reconstruction, and replacement of state assets;
- (2) A proposed schedule of repair and maintenance of state assets; and
- (3) A plan for the replacement, reconstruction, or redevelopment of state assets.

Your Committee finds that repair, maintenance, and other life-cycle costs are not included in budgeted costs of state projects or state assets. Incorporating these costs into the initial budget documents relating to state assets will prevent budget shortfalls due to future repair, maintenance, renovation, reconstruction, and replacement of state assets. Your Committee finds that these additional items of

information will greatly assist the Legislature in determining which proposed capital improvement projects will be authorized under the budget acts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 77 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1395 Ways and Means on S.C.R. No. 62

The purpose and intent of this measure is to request the United States Secretary of Agriculture to increase the federal breakfast, lunch, and afterschool snack reimbursement rates for Hawaii to fifteen percent more than the Alaskan reimbursement rates for breakfast, lunch, and afterschool snack, respectively.

Your Committee received written comments in support of this measure from the Department of Education, State Public Charter School Commission, and the Ulupono Initiative.

Your Committee finds that all children should receive affordable nutritious meals. Nutritious meals encourage proper health and allow students to focus on learning in the classroom. The Child Nutrition Programs of the United States Department of Agriculture provide a subsidy for school meals to students of Hawaii. Your Committee believes that the cost for meals is higher in Hawaii than in any other state in the United States; specifically, the cost of food prepared at home for a family of four in Hawaii is seventy percent higher than in Alaska. Your Committee further finds that an increase in the federal reimbursement rates, which is consistent with the higher cost of food in Hawaii, would allow the Child Nutrition Programs to reach more children.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 62 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1396 Ways and Means on S.R. No. 26

The purpose and intent of this measure is to request the United States Secretary of Agriculture to increase the federal breakfast, lunch, and afterschool snack reimbursement rates for Hawaii to fifteen percent more than the Alaskan reimbursement rates for breakfast, lunch, and afterschool snack, respectively.

Your Committee received written comments in support of this measure from the Department of Education, State Public Charter School Commission, and the Ulupono Initiative.

Your Committee finds that all children should receive affordable nutritious meals. Nutritious meals encourage proper health and allow students to focus on learning in the classroom. The Child Nutrition Programs of the United States Department of Agriculture provide a subsidy for school meals to students of Hawaii. Your Committee believes that the cost for meals is higher in Hawaii than in any other state in the United States; specifically, the cost of food prepared at home for a family of four in Hawaii is seventy percent higher than in Alaska. Your Committee further finds that an increase in the federal reimbursement rates, which is consistent with the higher cost of food in Hawaii, would allow the Child Nutrition Programs to reach more children.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 26 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1397 Ways and Means on S.C.R. No. 136

The purpose and intent of this measure is to update the State's housing strategy.

Specifically, the measure requests the Governor, in coordination with the Office of Planning and the Hawaii Housing Finance and Development Corporation, to:

- (1) Update the State Housing Functional Plan; and
- (2) Submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning, and Land Use Research Foundation of Hawaii.

Your Committee finds that the Housing Finance and Development Corporation, now known as the Hawaii Housing Finance and Development Corporation, prepared the State Housing Functional Plan in 1989, which set out a comprehensive plan for the development, preservation, and management of housing in the State. Your Committee further finds that the Housing Finance and Development Corporation updated the State Housing Functional Plan in 1990 to address the housing needs for all income levels, including the homeless. Your Committee believes that it is necessary to update the State Housing Functional Plan to reflect changes to the State's housing requirements since the Plan was last updated.

Your Committee notes that Senate Bill No. 1074, as introduced, would appropriate \$250,000 for fiscal years 2015-2016 and 2016-2017 for the Office of Planning to review and propose updates to the Hawaii State Planning Act. Your Committee recognizes that this appropriation is necessary to enable the Office of Planning to update the State Housing Functional Plan, as requested by this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 136, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1398 Ways and Means on S.C.R. No. 162

The purpose and intent of this measure is to request the Auditor to conduct a financial audit of specified executive branch departments and their attached agencies with regard to information technology expenditures.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services.

Your Committee finds that the results of the financial audit will provide information to the Legislature on information technology expenditures to enable establishment of a baseline. Your Committee believes this information will allow the Legislature to identify opportunities to improve department and agency operations that will benefit the public.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 162 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1399 (Majority) Ways and Means on S.C.R. No. 138

The purpose and intent of this measure is to address the accessibility needs of south Puna, on the island of Hawaii.

More specifically, this measure requests that the Department of Transportation conduct a study regarding the feasibility and cost of constructing a small commercial boat harbor and small commercial airport in south Puna.

Your Committee received written comments on this measure from the Department of Transportation.

Your Committee finds that Puna has the fastest growing population in the County of Hawaii. Your Committee also finds that, due to recent volcanic activity, many people in Puna may be cut off from supplies and services. In the Puna area, there are very few places to access the coast safely due to the jagged cliffs, and road infrastructure cannot be developed due to the extensive network of lava tubes. Your Committee further finds that there are no boat harbors or airports in the Puna area large enough to support commercial activity.

Your Committee notes concerns raised by the Department of Transportation that they would not be able to proceed with the construction of a small commercial boat harbor and small commercial airport in south Puna without support and approvals from the federal government. Your Committee also notes that it would be difficult for the Department of Transportation to move forward with these construction projects without state support for the issuance of general obligation bonds to finance such projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 138 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, 1 (Inouye). Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1400 (Majority) Ways and Means on S.R. No. 83

The purpose and intent of this measure is to address the accessibility needs of south Puna, on the island of Hawaii.

More specifically, this measure requests that the Department of Transportation conduct a study regarding the feasibility and cost of constructing a small commercial boat harbor and small commercial airport in south Puna.

Your Committee received written comments on this measure from the Department of Transportation.

Your Committee finds that Puna has the fastest growing population in the County of Hawaii. Your Committee also finds that, due to recent volcanic activity, many people in Puna may be cut off from supplies and services. In the Puna area, there are very few places to access the coast safely due to the jagged cliffs, and road infrastructure cannot be developed due to the extensive network of lava tubes. Your Committee further finds that there are no boat harbors or airports in the Puna area large enough to support commercial activity.

Your Committee notes concerns raised by the Department of Transportation that they would not be able to proceed with the construction of a small commercial boat harbor and small commercial airport in south Puna without support and approvals from the federal government. Your Committee also notes that it would be difficult for the Department of Transportation to move forward with these construction projects without state support for the issuance of general obligation bonds to finance such projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 83 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, 1 (Inouye). Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1401 Ways and Means on S.C.R. No. 35

The purpose and intent of this measure is to address workforce housing and transit-oriented development.

Specifically, the measure requests the Hawaii Housing Finance and Development Corporation and the City and County of Honolulu Department of Planning and Permitting, with support from the Honolulu Authority for Rapid Transportation, to:

- (1) Conduct a joint study addressing the demand for workforce housing and transit-oriented development;
- (2) Create a development plan for workforce housing expansion; and
- (3) Submit the joint study and development plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received written comments in support of this measure from the Honolulu Authority for Rapid Transportation, Hawaii Association of REALTORS, and Land Use Research Foundation of Hawaii. The Hawaii Housing Finance and Development Corporation provided written comments on the measure.

Your Committee finds that the lack of workforce housing is a serious and immediate concern for many of the State's residents. Your Committee further finds that transit-oriented development presents a unique opportunity to address the issues of economic stimulation and housing shortages by, among other things, providing low- and moderate-income families with the opportunity to reside in vibrant communities and growing micro-economies. Your Committee believes that the study and development plan requested by this measure will provide information necessary to address the State's workforce housing needs through transit-oriented development.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 35, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1402 Ways and Means on S.R. No. 11

The purpose and intent of this measure is to address workforce housing and transit-oriented development.

Specifically, the measure requests the Hawaii Housing Finance and Development Corporation and the City and County of Honolulu Department of Planning and Permitting, with support from the Honolulu Authority for Rapid Transportation, to:

- (1) Conduct a joint study addressing the demand for workforce housing and transit-oriented development;
- (2) Create a development plan for workforce housing expansion; and
- (3) Submit the joint study and development plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received written comments in support of this measure from the Honolulu Authority for Rapid Transportation, Hawaii Association of REALTORS, and Land Use Research Foundation of Hawaii. The Hawaii Housing Finance and Development Corporation provided written comments on the measure.

Your Committee finds that the lack of workforce housing is a serious and immediate concern for many of the State's residents. Your Committee further finds that transit-oriented development presents a unique opportunity to address the issues of economic stimulation and housing shortages by, among other things, providing low- and moderate-income families with the opportunity to reside in vibrant communities and growing micro-economies. Your Committee believes that the study and development plan requested by this measure will provide information necessary to address the State's workforce housing needs through transit-oriented development.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 11, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1403 Ways and Means on S.C.R. No. 23

The purpose and intent of this measure is to request the Hawaii Access to Justice Commission to convene a working group of government agencies and community organizations to develop a plan to determine which government agency or community organization should administer funding for civil legal services to low-income and moderate-income individuals and the levels of funding for civil legal services.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Office of Community Services; the Legal Aid Society of Hawaii; and Volunteer Legal Services Hawaii.

Your Committee finds that in previous years, funding for civil legal services has been provided in the form of grants-in-aid to nonprofit organizations or in the form of appropriations to state agencies, including the Office of Community Services, to fund purchase-of-services contracts with nonprofit organizations. Furthermore, your Committee is concerned that available funding for civil legal services that are derived from court fees has dropped significantly in recent years. Accordingly, your Committee believes that the efforts of the working group created by this measure will help to ensure adequate funding to continue the provision of civil legal services to low- and moderate-income individuals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 23, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1404 Ways and Means on S.R. No. 6

The purpose and intent of this measure is to request the Hawaii Access to Justice Commission to convene a working group of government agencies and community organizations to develop a plan to determine which government agency or community organization should administer funding for civil legal services to low-income and moderate-income individuals and the levels of funding for civil legal services.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Office of Community Services; the Legal Aid Society of Hawaii; and Volunteer Legal Services Hawaii.

Your Committee finds that in previous years, funding for civil legal services has been provided in the form of grants-in-aid to nonprofit organizations or in the form of appropriations to state agencies, including the Office of Community Services, to fund purchase-of-services contracts with nonprofit organizations. Furthermore, your Committee is concerned that available funding for civil legal services that are derived from court fees has dropped significantly in recent years. Accordingly, your Committee believes that the efforts of the working group created by this measure will help to ensure adequate funding to continue the provision of civil legal services to low- and moderate-income individuals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 6, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1405 Ways and Means on S.C.R. No. 14

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 4-7-011: seaward of 001, Kahaluu, Koolaupoko, Oahu, for the use, maintenance, and repair of the existing seawall constructed thereon.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for this disposition of state submerged lands.

Your Committee further finds that an existing seawall fronting the property identified as Tax Map Key: (1) 4-7-011: seaward of 001, Kahaluu, Koolaupoko, Oahu was placed on state submerged lands. A non-exclusive easement was issued to Kahaluu Pond, Inc., on March 1, 1984, and the easement expired on February 28, 2014. On October 11, 2013, under agenda item D-6, the Board of Land and Natural Resources approved the grant of a new fifty-five-year non-exclusive easement to resolve the encroachment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 14 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1406 Ways and Means on S.R. No. 95

The purpose and intent of this measure is to request the Department of Health to conduct a comprehensive analysis of oral health initiatives in the State.

Specifically, this measure requests the Department of Health to:

- (1) Review, analyze, and prepare a progress report on each oral health initiative underway in the State, including the Centers for Disease Control and Prevention and oral health disease prevention program;
- (2) Report on its progress in developing a comprehensive state oral health care assessment program;
- (3) Provide a comprehensive accounting of public and private sector matching funds that the State has received in the area of oral health; and
- (4) Submit a report of its findings and recommendations to the Legislature for the Regular Session of 2016.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities and the Hawaii Primary Care Association. Written comments on the measure were received from the Department of Health.

Your Committee finds that the health care research indicates that an association exists between chronic oral infections experienced early in life and complicated and costly medical conditions experienced later in life, such as diabetes, heart disease, lung disease, strokes, and low-birth-weight births. Accordingly, your Committee believes that it is more cost-effective to provide timely oral health early in an individual's life to avoid or minimize the need to treat more costly and complicated medical conditions that occur later in life.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 95 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1407 Ways and Means on S.C.R. No. 153

The purpose and intent of this measure is to request the Department of Health to conduct a comprehensive analysis of oral health initiatives in the State.

Specifically, this measure requests the Department of Health to:

- (1) Review, analyze, and prepare a progress report on each oral health initiative underway in the State, including the Centers for Disease Control and Prevention and oral health disease prevention program;
- (2) Report on its progress in developing a comprehensive state oral health care assessment program;
- (3) Provide a comprehensive accounting of public and private sector matching funds that the State has received in the area of oral health; and
- (4) Submit a report of its findings and recommendations to the Legislature for the Regular Session of 2016.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities and the Hawaii Primary Care Association. Written comments on the measure were received from the Department of Health.

Your Committee finds that the health care research indicates that an association exists between chronic oral infections experienced early in life and complicated and costly medical conditions experienced later in life, such as diabetes, heart disease, lung disease, strokes, and low-birth-weight births. Accordingly, your Committee believes that it is more cost-effective to provide timely oral health early in an individual's life to avoid or minimize the need to treat more costly and complicated medical conditions that occur later in life.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 153 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1408 Ways and Means on S.C.R. No. 191

The purpose and intent of this measure is to improve students' access to nutritious foods in public educational institutions.

Specifically, the measure:

- (1) Encourages the Department of Education to establish the Hawaii Voluntary Farm to School Program by providing Complex Areas with the opportunity and option to purchase locally grown food for schools from food safety certified farms in the State; and
- (2) Requests that a farmer providing products to a Department of Education Complex Area's Farm to School Program:
 - (A) Provide evidence that the farmer has an adequate supply of products to supply the Program for one year; and
 - (B) Be food safety certified and subject to all applicable state and federal safety regulations, inspections, and audits and maintain sufficient liability insurance.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, The Local Food Coalition, and two individuals. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that farm to school programs improve the connection that communities have with fresh, nutritious food and local farmers by changing food purchasing and education practices at schools and preschools. Your Committee further finds that there are many challenges and successes that come with the implementation of a farm to school program, and that a statewide, one-size-fits-all approach may delay the implementation process. Your Committee believes that, by allowing individual Department of Education Complex Areas to implement a farm to school program, rather than requiring statewide implementation, this measure will allow a Complex Area with the resources to implement a farm to school program to partner with its local farmers without delay.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 191, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1409 Ways and Means on S.C.R. No. 82

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 3-6-001:017, Waikiki, Honolulu, Oahu, for the use, maintenance, and repair of the existing pier constructed thereon.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for this disposition of state submerged lands.

Your Committee notes that in 2014, the existing pier fronting the subject property was determined to encumber approximately one hundred ninety-nine square feet of state submerged lands. Your Committee further finds that on February 27, 2015, under agenda item D-14, the Board of Land and Natural Resources approved a request for a fifty-five-year nonexclusive easement by the owners of the

subject property, Wilton Allen Doane, Jr., and Christina Dao Doane. The owners agreed to make to the State as consideration for the easement a one-time payment to be determined by an independent appraisal establishing fair market value, subject to review and approval by the Chairperson of the Board of Land and Natural Resources.

Your Committee has amended this measure by specifying that:

- (1) The prior owner of the property had a revocable permit issued by the Board of Land and Natural Resources for the existing pier fronting the property covering approximately two hundred eighty-eight square feet of state submerged lands; and
- (2) The term, nonexclusive easement authorized by this measure will cover the existing pier, an estimated area of two hundred eighty-eight square feet, more or less, subject to confirmation by the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 82, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 82, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1410 Ways and Means on S.C.R. No. 81

The purpose and intent of this measure is to resolve encroachments on state submerged lands.

More specifically, the measure:

- (1) Authorizes the issuance of a term, non-exclusive easement to Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust, over a portion of state-owned land located in Lahaina, Maui, identified as tax map key number (2)4-5-003, seaward of parcel 026 (first subject property), for seawall encroachment purposes, according to the terms and conditions approved by the Board of Land and Natural Resources on August 9, 2013; and
- (2) Authorizes the issuance of a term, non-exclusive easement to the Association of Apartment Owners of Lahaina Roads over, under, and across state-owned land in Lahaina, Maui, identified as tax map key number (2)4-5-013, seaward of parcel 027, an area of approximately 2,352 square feet (second subject property), for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall, according to the terms and conditions approved by the Board of Land and Natural Resources on July 27, 2012.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for these dispositions of state submerged lands.

Your Committee also finds that on August 9, 2013, under agenda item D-10, the Board of Land and Natural Resources approved the request of Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust, for a term, non-exclusive easement over the first subject property for seawall encroachment purposes. The easement term is for fifty-five years in consideration for a one-time payment to be determined by independent appraisal establishing a fair market rent, subject to review and approval by the Chairperson of the Board of Land and Natural Resources.

Your Committee further finds that on July 27, 2012, under agenda item D-3, the Board of Land and Natural Resources approved the request of the Association of Apartment Owners of Lahaina Roads for a term, non-exclusive easement over the second subject property for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall.

Your Committee notes that the authorization under this measure is subject to confirmation by survey of the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 81, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1411 Ways and Means on S.C.R. No. 163

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue four term, non-exclusive easements covering a portion of state submerged lands fronting the property identified as seaward of tax map keys: (2) 3-8-002:071, 074, 077, 078, and 094, Spreckelsville, Wailuku, Maui, for the use, maintenance, and repair of four existing rock groin structures.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for this disposition of state submerged lands.

Your Committee also finds that the four term, non-exclusive easements authorized by the measure will help preserve Stable Road Beach in Spreckelsville, Wailuku, Maui, where four rock groin structures have helped the beach naturally gain sand, increasing lateral beach access. Approval of the easements by the Board of Land and Natural Resources requires the grantees to pay the State the fair market value of the easements, to be determined by an independent appraisal, as consideration for the use of public lands.

Your Committee further finds that on September 26, 2014, under agenda item D-6, the Board of Land and Natural Resources approved requests to grant four term, fifty-five-year non-exclusive easements to the owners of lots adjacent to the rock groins.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 163, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1412 (Majority) Ways and Means on S.C.R. No. 143

The purpose and intent of this measure is to urge the City and County of Honolulu to develop a plan to generate revenue for operations and maintenance of rail.

More specifically, this measure requests that:

- (1) The City and County of Honolulu, in coordination with the Honolulu Authority for Rapid Transportation:
 - (A) Develop a plan to generate revenue via transit-oriented development near rail stations, including the development of housing and employment clusters;
 - (B) Identify locations where tax increment financing or community facilities districts may be established to generate revenues that could be used for construction, operations, and maintenance of the Honolulu rail transit project; and
 - (C) Identify areas of employment concentration and opportunities for future transit investments;
- (2) The City and County of Honolulu review land use ordinances of lands that lie within one-half mile of rail stations and implement measures to amend zoning, as necessary, to allow for transit-oriented development in those areas to include but not be limited to commercial, residential, and mixed-use development; and
- (3) The Honolulu Authority for Rapid Transportation expend any proceeds from an extension of the county surcharge on state tax on construction only, and not for rail operation or maintenance costs.

Your Committee received written comments in support of this measure from the Honolulu Authority for Rapid Transportation. Your Committee received written comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committee finds that the Honolulu Authority for Rapid Transportation has incurred a budget shortfall of up to \$900,000,000 for construction of the Honolulu rail project. Your Committee has approved another measure to address this shortfall in the capital cost budget for the project.

In that measure, your Committee has prohibited the Honolulu Authority for Rapid Transportation from using revenues from the county surcharge on state tax for operation and maintenance costs of the rail project. To that end, it is even more critical that the Honolulu Authority for Rapid Transportation and the City and County of Honolulu identify viable revenue generating options and develop plans to implement them, in order to fund the operation and maintenance of the rail system.

Your Committee is very concerned that, at the current time, no such plans exist, and strongly encourages the Honolulu Authority for Rapid Transportation and the City and County of Honolulu to capitalize on the economic development opportunities that can come with the demand for both housing and job creation along the rail line.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 143 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1413 (Majority) Ways and Means on S.R. No. 86

The purpose and intent of this measure is to urge the City and County of Honolulu to develop a plan to generate revenue for operations and maintenance of rail.

More specifically, this measure requests that:

- (1) The City and County of Honolulu, in coordination with the Honolulu Authority for Rapid Transportation:
 - (A) Develop a plan to generate revenue via transit-oriented development near rail stations, including the development of housing and employment clusters;
 - (B) Identify locations where tax increment financing or community facilities districts may be established to generate revenues that could be used for construction, operations, and maintenance of the Honolulu rail transit project; and
 - (C) Identify areas of employment concentration and opportunities for future transit investments;
- (2) The City and County of Honolulu review land use ordinances of lands that lie within one-half mile of rail stations and implement measures to amend zoning, as necessary, to allow for transit-oriented development in those areas to include but not be limited to commercial, residential, and mixed-use development; and
- (3) The Honolulu Authority for Rapid Transportation expend any proceeds from an extension of the county surcharge on state tax on construction only, and not for rail operation or maintenance costs.

Your Committee received written comments in support of this measure from the Honolulu Authority for Rapid Transportation. Your Committee received written comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committee finds that the Honolulu Authority for Rapid Transportation has incurred a budget shortfall of up to \$900,000,000 for construction of the Honolulu rail project. Your Committee has approved another measure to address this shortfall in the capital cost budget for the project.

In that measure, your Committee has prohibited the Honolulu Authority for Rapid Transportation from using revenues from the county surcharge on state tax for operation and maintenance costs of the rail project. To that end, it is even more critical that the Honolulu Authority for Rapid Transportation and the City and County of Honolulu identify viable revenue generating options and develop plans to implement them, in order to fund the operation and maintenance of the rail system.

Your Committee is very concerned that, at the current time, no such plans exist, and strongly encourages the Honolulu Authority for Rapid Transportation and the City and County of Honolulu to capitalize on the economic development opportunities that can come with the demand for both housing and job creation along the rail line.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 86 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1414 Ways and Means on S.C.R. No. 77

The purpose and intent of this measure is to request that the Department of Business, Economic Development, and Tourism and attached agencies prioritize the development of Kapolei into a job center in support of policies of the State and the City and County of Honolulu to develop Kapolei into Oahu's "Secondary Urban Center."

Your Committee received written comments in support of this measure from the Office of Planning. Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that a significant number of residents live in west Oahu and central Oahu; however, the majority of jobs in Oahu are located in Honolulu. The Department of Business, Economic Development, and Tourism does not currently have a program to steer economic development to Kapolei and truly make it Oahu's "Secondary Urban Center." Your Committee believes that requesting the Department to set goals and develop a strategy and implementation plan, including jobs, housing, emerging industries, and education, will promote the development of Kapolei into Oahu's "Secondary Urban Center." Your Committee also believes that requesting the Department to work with businesses and business groups to determine a program of incentives that will effectively encourage more companies to locate or relocate to Kapolei will lead to an efficient and effective plan.

Your Committee notes that the Department of Business, Economic Development, and Tourism has expressed concerns that developing a comprehensive plan as requested will require resources above its current appropriations, and has estimated that it will need \$150,000 to perform the requested actions. As this measure continues to move through the legislative process, consideration will have to be given to providing the moneys through an appropriation either in the budget or in another funding vehicle.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Inouye, Slom). Noes, none. Excused, 1 (Galuteria).

SCRep. 1415 Ways and Means on S.C.R. No. 44

The purpose and intent of this measure is to protect and preserve Lipoa Point, provide support for the community, preserve cultural and recreational access, and protect the pristine marine environment.

Specifically, the measure requests:

- (1) The Chairperson of the Board of Land and Natural Resources to establish the Lipoa Point Management Council;
- (2) That any entity developing, accepting, or implementing any plan for the development within the parcel of land acquired by the State at Lipoa Point collaborate with and consider the recommendations of the Lipoa Point Management Council;
- (3) That any transfer of property in the Lipoa Point area within the Lipoa Point District to any state or county agency be upon the condition that the agency be required to collaborate with and consider the recommendations of the Lipoa Point Management Council in the development, acceptance, and implementation of any plan for the transferred property; and
- (4) That the Lipoa Point Management Council submit a report of its activities to the Legislature no later than twenty days prior to the convening of each Regular Session.

Your Committee received written comments in support of this measure from one individual. Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources.

Your Committee finds that the State's acquisition of Lipoa Point presents significant challenges for the Department of Land and Natural Resources regarding the management of a vast, porous, and complex land. Your Committee further finds that many issues arise with the acquisition of this new parcel, such as public safety, security, sanitation, resource protection, and appropriate land management.

Your Committee believes that it is prudent to request the Department of Land and Natural Resources to report its recommendations relating to Lipoa Point, rather than requesting the immediate establishment of the Lipoa Point Management Council. This report will provide information necessary to develop a plan for Lipoa Point, which is critical in managing an area so vast and with many competing public interests.

Your Committee has amended this measure by:

- (1) Deleting language relating to the establishment and duties of the Lipoa Point Management Council, and instead inserting language that requests the Department of Land and Natural Resources to submit a report to the Legislature on Lipoa Point, including:
 - (A) Recommendations on the feasibility of establishing a Lipoa Point Management Council to explore options to protect and preserve the area's condition, provide support for the community, preserve cultural and recreational access, and protect the pristine marine environment;
 - (B) Recommendations on resources required to protect and preserve Lipoa Point; and
 - (C) Any proposed legislation; and
- (2) Amending the measure's title and the Whereas clauses to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 44, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 44, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1416 Ways and Means on S.C.R. No. 94

The purpose and intent of this measure is to request the Committee on Weights and the Board of Education to consider the unique needs of remote schools when reevaluating the weighted student formula.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the weighted student formula, which provides funding on a per pupil basis to each school, does not provide adequate funding for remotely located schools due to small student populations and geographic limitations. Your Committee believes that these unique needs of remote schools should be considered by the Committee on Weights and the Board of Education when reevaluating the weighted student formula.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 94 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1417 Ways and Means on S.R. No. 48

The purpose and intent of this measure is to request the Committee on Weights and the Board of Education to consider the unique needs of remote schools when reevaluating the weighted student formula.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the weighted student formula, which provides funding on a per pupil basis to each school, does not provide adequate funding for remotely located schools due to small student populations and geographic limitations. Your Committee believes that these unique needs of remote schools should be considered by the Committee on Weights and the Board of Education when reevaluating the weighted student formula.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 48 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1418 Ways and Means on S.C.R. No. 113

The purpose and intent of this measure is to request the Board of Education to televise its meetings or make them available online.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association.

Your Committee finds that attending, participating, and viewing Board of Education meetings is difficult for many individuals due to the time of day the meetings are held. Televising or making the meetings viewable online will not only make it possible for teachers and busy parents to view the proceedings, but will also allow the meetings to be brought into classrooms as a teaching tool.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 113 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1419 Ways and Means on S.R. No. 64

The purpose and intent of this measure is to request the Board of Education to televise its meetings or make them available online.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association.

Your Committee finds that attending, participating, and viewing Board of Education meetings is difficult for many individuals due to the time of day the meetings are held. Televising or making the meetings viewable online will not only make it possible for teachers and busy parents to view the proceedings, but will also allow the meetings to be brought into classrooms as a teaching tool.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 64 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1420 Ways and Means on S.C.R. No. 185

The purpose and intent of this measure is to expand afterschool student programs.

Specifically, this measure requests the Department of Education to:

- (1) Work with various other departments, the University of Hawaii, and private organizations to organize and coordinate out-of-school programs for kindergarten through twelfth grade students and to identify funding sources;
- (2) Determine the costs of the out-of-school programs;
- (3) Consider, identify, and acquire funding from various sources; and
- (4) Name the programs as "Hawaii 3 to 6 programs" and administer them at all public schools.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that providing quality school-based and school-linked afterschool programs can improve outcomes not for only low-income students, but for all participating students. Your Committee believes that requesting the Department of Education to seek funding for afterschool programs will help to provide students with a safe out-of-school environment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 185, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1421 Ways and Means on S.R. No. 120

The purpose and intent of this measure is to expand afterschool student programs.

Specifically, this measure requests the Department of Education to:

- (1) Work with various other departments, the University of Hawaii, and private organizations to organize and coordinate out-of-school programs for kindergarten through twelfth grade students and to identify funding sources;
- (2) Determine the costs of the out-of-school programs;
- (3) Consider, identify, and acquire funding from various sources; and
- (4) Name the programs as "Hawaii 3 to 6 programs" and administer them at all public schools.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that providing quality school-based and school-linked afterschool programs can improve outcomes not for only low-income students, but for all participating students. Your Committee believes that requesting the Department of Education to seek funding for afterschool programs will help to provide students with a safe out-of-school environment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 120, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1422 Judiciary and Labor on H.B. No. 683

The purpose and intent of this measure is to:

- (1) Authorize the Executive Director of the Hawaii Civil Rights Commission, in the Executive Director's discretion, to dismiss a complaint of a discriminatory practice and issue a notice to the complainant indicating that the complainant may bring a civil action;
- (2) Establish that the Executive Director's determination that a complaint is to be dismissed and a notice of right to sue issued shall not be subject to reconsideration by the Hawaii Civil Rights Commission or judicial review; and
- (3) Comply with the federal Fair Housing Act by authorizing the Executive Director to demand that a respondent cease an unlawful discriminatory practice when the Executive Director determines that there is reasonable cause to believe that an unlawful discrimination practice has occurred and conciliation efforts have failed to resolve the complaint with respect to complaints alleging violations of chapter 515, Hawaii Revised Statutes, and the federal Fair Housing Act.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that existing law requires the Executive Director of the Hawaii Civil Rights Commission to issue a final conciliation demand when conciliation efforts in an unlawful discriminatory practice case fail to secure a conciliation settlement then requires that the case be docketed for a contested case hearing before a hearings officer. According to the testimony submitted by the Hawaii Civil Rights Commission, these requirements have negatively impacted the efficiency and effectiveness of its civil rights enforcement powers. This measure provides prosecutorial discretion by allowing the Executive Director to decide which cases should be litigated.

Your Committee has amended this measure by:

- (1) Clarifying that Executive Director's determination that a complaint is to be dismissed and a notice of right to sue issued shall be subject to reconsideration by the Hawaii Civil Rights Commission on its own initiative but shall not be subject to judicial review;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 683, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 683, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1423 Judiciary and Labor on H.B. No. 287

The purpose and intent of this measure is to include under the list of examples of information in which an individual has a significant privacy interest under the Uniform Information Practices Act records that if disclosed would create a substantial and demonstrable risk of physical harm to an individual.

Your Committee received testimony in support of this measure from the Judiciary; Office of Information Practices; Police Department, City and County of Honolulu; League of Women Voters of Hawaii; and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Chapter of the Society of Professional Journalists.

Your Committee finds that an individual's privacy interest in the information contained in public records should be protected and remain private when weighed against the public's interest in disclosure, especially in cases where a legitimate threat of physical harm exists with the public release of such information. This measure requires records to not be disclosed if the disclosure of such records would create a substantial and demonstrable risk of physical harm to an individual.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 287, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 287, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1424 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 290

The purpose and intent of this measure is to appropriate funds for the operating and capital improvement costs of the Judiciary for fiscal years 2015-2016 and 2016-2017.

Your Committees received testimony in support of this measure from the Judiciary; Mayor of the County of Hawai'i; Office of the Prosecuting Attorney, County of Hawai'i; County of Hawai'i, Department of Research and Development; Queen Lili'uokalani Trust; Legal Aid Society of Hawai'i; Pacific Resource Partnership; and six individuals. Your Committees received comments from the West Hawaii Bar Association; President of the West Hawaii Bar Association; and four individuals.

Your Committees approve \$341,556 in general funds in fiscal year 2015-2016 and \$689,797 in general funds in fiscal year 2016-2017 for the scheduled pay increase for judges as recommended by the 2013 Commission on Salaries.

Your Committees approve positions and funding that support the specialty courts of the Judiciary, including:

- (1) 1.00 position and \$105,100 in general funds in fiscal year 2015-2016 and \$124,914 in general funds in fiscal year 2016-2017 for Mental Health Court to continue to provide services to a vulnerable population;
- (2) 9.00 positions and \$50,934 in general funds in fiscal year 2015-2016 and \$96,168 in general funds in fiscal year 2016-2017 for Hale Ho'omalua Juvenile Detention Facility to provide continued support for Hawaii's youth; and
- (3) 1.00 position and \$67,323 in general funds in fiscal year 2015-2016 and \$106,116 in general funds in fiscal year 2016-2017 for the Veterans Court to supplant federal grant money, which is ending.

Further, in support of recapitalizing existing operations throughout the Judiciary, your Committees approve positions and funding that address needs in various circuits, including contract security on Maui, a new family court judge on Kauai, and overall administration of the Judiciary.

Your Committees approve \$55,000,000 in fiscal year 2015-2016 for the new judiciary complex in Kona. With respect to this project, your Committees have included a proviso requiring this appropriation, and the \$35,000,000 appropriation in 2014, to lapse on June 30, 2016, unless the entire \$90,000,000 total amount appropriated is encumbered by that date.

Your Committees also approve \$3,000,000 for plans, design, construction, and equipment for general upgrades and improvements in each fiscal year of the 2015-2017 biennium.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 290, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 290, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 11. Noes, none. Excused, none.

SCRep. 1425 Energy and Environment on Gov. Msg. Nos. 607 and 608

Recommending that the Senate advise and consent to the nominations of the following:

ENDANGERED SPECIES RECOVERY COMMITTEE

G.M. No. 607 ERIC VANDERWERF, for a term to expire 6-30-2019; and

G.M. No. 608 SAMUEL GON, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Eric VanderWerf and Samuel Gon to possess the requisite qualifications to be nominated to the Endangered Species Recovery Committee.

ERIC VANDERWERF

Your Committee received testimony in support of the nomination of Dr. VanderWerf from the Department of Land and Natural Resources, Conservation Council for Hawaii, The Nature Conservancy of Hawaii, and ten individuals.

Dr. VanderWerf received a Doctor of Philosophy degree in Zoology from the University of Hawaii at Manoa, a Master of Science degree in Zoology from the University of Florida, and a Bachelor of Science degree in Biology from Cornell University.

Dr. VanderWerf is one of the world's leading authorities on Hawaiian bird conservation. He is the co-founder and President of Pacific Rim Conservation, an organization dedicated to studying and conserving the biota of the Pacific region. Dr. VanderWerf has over twenty years of experience pertaining to endangered species and conservation, including over six years as the Hawaiian Bird Recovery Coordinator for the United States Fish and Wildlife Service and over five years as a Graduate Research Assistant in the Department of Zoology at the University of Hawaii. He has authored over ninety scientific papers, book chapters, government documents, and technical reports, primarily focused on endangered Hawaiian birds.

Your Committee finds that Dr. VanderWerf's ecology and conservation experience provide him with the knowledge and expertise necessary to serve on the Endangered Species Recovery Committee.

SAMUEL GON

Your Committee received testimony in support of the nomination of Dr. Gon from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Conservation Council for Hawaii, The Nature Conservancy of Hawaii, Trust for Public Land, and thirty-six individuals. Your Committee received comments on the nomination of Dr. Gon from three individuals.

Dr. Gon received a Doctor of Philosophy degree in Animal Behavior and a Master of Arts degree in Zoology from the University of California, Davis. He also received a Bachelor of Arts degree in Zoology from the University of Hawaii at Manoa.

Dr. Gon is one of the world's leading authorities on Hawaiian natural history and culture. He currently serves on the Hawaii Management Committee of The Nature Conservancy of Hawaii and is a Senior Scientist and Cultural Advisor at The Nature Conservancy of Hawaii. Dr. Gon has over twenty-five years of experience at The Nature Conservancy of Hawaii, including fifteen years as an Ecologist and nine years as the Director of Science. He has extensive research and teaching experience in the fields of ecology and zoology. In recognition of his work, Dr. Gon has been the recipient of numerous awards, including the Kamehameha Schools Beamer Family Emalani Searfoss Award, Western Association Forestry and Wildlife Agencies Commission of the Year, and Hawaii Conservation Alliance Distinguished Service Award.

Your Committee finds that Dr. Gon's experience and insights, garnered from years of researching and working in the fields of Hawaiian ecology and zoology, will provide a unique and valuable perspective to the Endangered Species Recovery Committee.

As affirmed by the records of votes of the members of your Committee on Energy and Environment that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1426 Public Safety, Intergovernmental and Military Affairs on H.B. No. 770

The purpose and intent of this measure is to authorize:

- (1) Restaurants with a liquor license to sell beer, malt beverages, or cider in certain containers for off-premises consumption, under certain conditions;
- (2) Retail dealers with a liquor license to sell beer, malt beverages, or cider in non-original packages and in certain containers, under certain conditions; and
- (3) Brewpubs and small craft producer pubs with a liquor license to sell malt beverages manufactured on the premises or purchased from another liquor licensee in growlers for off-premises consumption.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association and Whole Foods Market. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that this measure permits the sale of growlers at all liquor retail establishments and restaurants and allows brewpubs and small craft producer pubs to sell different types of malt beverages in growlers. Implementation of this measure will enable consumers to try an expanded selection of draft beer and will provide the opportunity for growth and expansion of the local craft beer industry.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 770, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1427 Ways and Means on H.B. No. 589

The purpose and intent of this measure is to improve stroke care in Hawaii.

More specifically, this measure requires the Department of Health to participate in:

- (1) A systematic process to evaluate, improve, and sustain stroke care to reduce incidents of stroke-related death and disability;
- (2) The stroke coalition by providing reports to the coalition and other interested parties, analyzing stroke database data, identifying stroke-related issues, encouraging the sharing of information and data among health care providers, and developing and implementing strategies to improve stroke identification and treatment; and
- (3) A stroke database that compiles information and statistics on stroke care and assists the stroke coalition's evaluation of stroke care.

Your Committee received written comments in support of this measure from the Department of Health, Hawaii Health Systems Corporation, the Healthcare Association of Hawaii, American Heart Association, Hawaii College of Emergency Physicians, Hawaii Neurological Society, Hawaii Stroke Coalition, The Queen's Health Systems, Hawaii Pacific Health, and one individual.

Your Committee finds that stroke is the third leading cause of death and the leading cause of disability in Hawaii. The rapid identification, diagnosis, and treatment of strokes can save lives, and in some cases, reverse neurological damage. Stroke care in Hawaii can be improved through the development of a coordinated system of stroke care to ensure the provision of optimal, safe, and effective emergency care in a timely manner.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 589, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1428 Judiciary and Labor on H.B. No. 525

The purpose and intent of this measure is to:

- (1) Prohibit smoking and the use of tobacco products and electronic smoking devices within the state park system; and
- (2) Require posting of signage prohibiting smoking and the use of tobacco products.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii System, Coalition for a Tobacco-Free Hawaii, Surfrider Foundation, Beach Environmental Awareness Campaign Hawaii, and fifty-six individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance and sixty-seven individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that creating smoke-free or tobacco-free parks is an important step toward protecting the public from involuntary exposure to secondhand smoke and the toxic effects of smoking and tobacco litter. A ban on smoking and the use of tobacco products at all state parks will result in cleaner parks and a healthier environment for residents, visitors, and marine life.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Department of Land and Natural Resources that:

- (A) Allows the Department to designate exclusive use areas that are not subject to the smoking ban at state parks; and
- (B) Deletes language that required specific words to be placed on clearly legible signs to be conspicuously posted at each park;
- (2) Inserting an effective date of July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 525, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 525, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1429 Ways and Means on H.B. No. 209

The purpose and intent of this measure is to appropriate funds for the operating costs of the Office of Hawaiian Affairs for fiscal years 2015-2016 and 2016-2017.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the Aha Moku Advisory Committee, Hawaii Green Growth, REACH Out Hawaii, and two individuals. Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies and two individuals.

Your Committee recognizes the significance of the services and advocacy that the Office of Hawaiian Affairs (OHA) provides its beneficiaries and acknowledges the need to ensure that OHA has sufficient resources to continue those services.

Your Committee has amended this measure by, among other things:

- (1) Providing \$500,000 in general funds and \$500,000 in trust funds in each fiscal year to be expended at OHA's discretion, knowing that OHA leverages state dollars to provide important services to the native Hawaiian community; and
- (2) Adding a proviso to require that general funds for beneficiary advocacy be matched by at least an equal amount of OHA trust funds and be expended only for the direct support of beneficiaries. Your Committee intends that this proviso apply to all state general fund appropriations for beneficiary advocacy, including state general funds not subject to the provisos of sections 5 to 8 in the measure.

Your Committee also comments on OHA's practice of using the mass or social media to encourage people to contact the Legislature for lobbying purposes. Your Committee finds that OHA has the right to lobby or advocate for its funding or position on public policy issues. Your Committee, however, requests OHA to use its trust funds for any media campaign on legislative issues, and to focus public dollars towards beneficiary advocacy and service.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 209, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 209, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 1430 Ways and Means on H.B. No. 896

The purpose and intent of this measure is to appropriate funds to satisfy claims against the State, its officers, and its employees.

Your Committee received written comments in support of this measure from the Department of the Attorney General.

Your Committee finds that the State has a responsibility to promptly satisfy all claims against the State upon the resolution of those claims.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 896, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 896, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Riviere).

SCRep. 1431 Ways and Means on H.B. No. 746

The purpose and intent of this measure is to strengthen Hawaii's cybersecurity.

More specifically, the measure:

- (1) Exempts the hiring and employment of the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator from civil service requirements;
- (2) Authorizes the security coordinator to employ a secretary; and
- (3) Appropriates funds for the security coordinator and secretary positions.

Your Committee received written comments in support of this measure from the Department of Defense and the Hawaii Government Employees Association.

Your Committee finds that improving cybersecurity is critical to protecting business operations, government functions, and personal data from cyber attack. The role of the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator will be to continuously assess and synchronize all efforts within the State to develop the State's cybersecurity and defend its critical infrastructure from cyber attacks.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 746, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 746, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Ruderman, Slom).

SCRep. 1432 Ways and Means on H.B. No. 293

The purpose and intent of this measure is to streamline the liquor license application and renewal process.

Specifically, this measure authorizes applicants for a liquor license, or renewal of a liquor license, to present a certificate of vendor compliance issued by Hawaii Compliance Express to demonstrate that the applicant is in compliance with payments of state and federal taxes.

Your Committee received written comments in support of this measure from City and County of Honolulu Liquor Commission.

Your Committee finds that the process for issuance, renewal, or transfer of a liquor license currently requires the applicant to present a certificate from the Internal Revenue Service and the Director of Taxation certifying that the applicant does not owe federal or state taxes. Your Committee finds that the same evidence of tax compliance is more easily available through Hawaii Compliance Express, the State's online procurement vendor compliance system. Your Committee believes that this measure will improve the efficiency of the liquor licensing process by authorizing applicants who utilize Hawaii Compliance Express to present a certificate of vendor compliance as evidence of tax compliance for the purpose of obtaining, renewing, or transferring a liquor license.

Your Committee has amended this measure by recasting the language authorizing an applicant to present a certificate of vendor compliance issued by Hawaii Compliance Express to language that more generally authorizes compliance with the requirements of section 103D-310(c), Hawaii Revised Statutes, which includes certificates of vendor compliance issued by Hawaii Compliance Express.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 293, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 293, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 1433 Ways and Means on H.B. No. 1005

The purpose and intent of this measure is to appropriate moneys for the Veterans Treatment Court.

More specifically, this measure appropriates moneys:

- (1) To be expended by the Judiciary for fiscal years 2015-2016 and 2016-2017; and
- (2) As a grant-in-aid to the City and County of Honolulu for the Department of the Prosecuting Attorney to hire necessary staff for the Veterans Treatment Court for fiscal year 2015-2016.

Your Committee received written comments in support of this measure from the Department of Defense, Judiciary, and Office of Veterans Services. Your Committee received written comments on this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and the Office of the Prosecuting Attorney of the County of Hawaii.

Your Committee finds that the Veterans Treatment Court provides critical services that have helped many veterans in Hawaii. Your Committee notes that the Veterans Treatment Court program was originally funded by a three-year federal grant, which is scheduled to expire on September 30, 2015. Your Committee believes that adequate funding for the Veterans Treatment Court is crucial to ensure the continued provision of essential support services for veterans, allow an increase in the number of veterans admitted to the program, and improve public safety by reducing crime and recidivism.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1005, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1005, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1434 (Majority) Ways and Means on H.B. No. 943

The purpose and intent of this measure is to establish a civil monetary penalty special fund consisting of federal fines collected from health facilities and agencies that fail to meet Medicare certification requirements. This measure also appropriates funds from the special fund for purposes approved by the Centers for Medicare and Medicaid Services.

Your Committee finds that the Office of Health Care Assurance receives a share of the federal civil monetary penalties assessed by the Centers for Medicare and Medicaid Services for federal deficiency citations issued by the Office of Health Care Assurance during a skilled nursing facility's re-certification process. The federal civil monetary penalties must be used only on programs and projects that are approved by the Centers for Medicare and Medicaid Services for activities that protect or improve the quality of care for residents. Hence, your Committee finds that it would be inappropriate to commingle the federal civil monetary penalties with state funds. Accordingly, your Committee finds that, rather than amending the Office of Health Care Assurance special fund to receive the federal civil monetary penalties, the establishment of a separate special fund as provided under this measure is necessary.

Your Committee has amended this measure by amending the effective date to June 29, 2015, and adding language to preserve the amendments made in the measure to sections 36-27 and 36-30, Hawaii Revised Statutes, against future repeals and reenactments to those two sections.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 943, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 943, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 1435 Ways and Means on H.B. No. 242

The purpose and intent of this measure is to promote the development of efficient energy systems by extending the Department of Budget and Finance's authorization to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC from June 30, 2015, to June 30, 2020.

Your Committee received written comments in support of this measure from Honolulu Seawater Air Conditioning, LLC and Ulupono Initiative.

Your Committee finds that a large percentage of the State's energy sources are imported at a high cost due to the geographic isolation of the State. Your Committee further finds that it is in the public interest to develop and support alternative energy sources to reduce energy prices and work toward sustainability. It is estimated that using seawater air conditioning rather than traditional air conditioning can cut electricity costs by seventy-five per cent and save seventy-seven million kilowatt-hours of power a year.

Your Committee also finds that in 2007, the Legislature authorized the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC for the development of seawater air conditioning systems on Oahu. However, earlier sales of special purpose revenue bonds were postponed due to disruptions in financial markets and regulatory delays. The authorization for the special purpose revenue bonds will lapse on June 30, 2015. Extending the authorization for the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC will allow the company to complete the design and construction of a seawater air conditioning cooling system on Oahu.

Your Committee has amended this measure by changing the effective date to June 28, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 242, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 242, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1436 Ways and Means on H.B. No. 1268

The purpose and intent of this measure is to require eligible, injured public employees to participate in the public employer's return to work program in order to receive vocational rehabilitation services under the workers' compensation law.

Your Committee received written comments in support of this measure from the Department of Education, Department of Human Resources Development, Department of Labor and Industrial Relations, City and County of Honolulu Department of Human Resources, County of Hawaii Department of Human Resources, and Hawaii Health Systems Corporation.

Your Committee finds that this measure:

- (1) Recognizes one of the central tenets of workers' compensation claims handling, which is to return injured employees to work as soon as possible in a cost-effective manner;
- (2) Supports and codifies the State's existing policy and practice of returning injured employees to work through the Department of Human Resources Development's Return to Work Priority Program;
- (3) Clarifies the relationship of the Return to Work Priority Program to the overall vocational rehabilitation obligations of the State; and
- (4) Assists the State in controlling its workers' compensation costs.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1268, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1268, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 1437 (Majority) Ways and Means on H.B. No. 1325

The purpose and intent of this measure is to encourage the protection and prudent management of water resources in the State by authorizing the counties to charge user fees to create and maintain stormwater management systems or infrastructure.

Your Committee received written comments in support of this measure from the Hawaii Farm Bureau, Hawaii Green Growth, The Nature Conservancy, the Surfrider Foundation Oahu Chapter, and five individuals. The Department of Labor and Industrial Relations and the Tax Foundation of Hawaii submitted written comments on the measure.

Your Committee finds that encouraging investment in infrastructure to capture, retain, and make beneficial use of stormwater rather than allow it to become runoff, will benefit the State in a variety of ways. The demand for potable water is expected to increase in the coming decades because of factors such as population growth and related new development. Climate change may also compromise some sources of fresh water in the State and exacerbate the increased demand for limited supplies of potable water.

Your Committee further finds that the beneficial reuse of stormwater helps preserve the State's limited natural water resources and reduces polluted runoff that contaminates inland waterways and near-shore ocean waters. Authorizing the counties to charge user fees to create and maintain stormwater management systems or infrastructure will encourage the protection and prudent management of the State's water resources.

Your Committee has amended this measure by changing the effective date to make the measure effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1325, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1325, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, 2 (Galuteria, Ruderman).

SCRep. 1438 Ways and Means on H.B. No. 119

The purpose and intent of this measure is to require the Director of Finance to establish the Hawaii ABLE savings program to assist individuals with disabilities.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, Disability and Communication Access Board, National Down Syndrome Society, Children's Community Council, Hawaii Disability Rights Center, Autism Society of Hawaii, and Easter Seals Hawaii. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that ABLE savings accounts will provide individuals with disabilities with the same types of flexible savings accounts that people without disabilities have, such as college savings accounts, health savings accounts, and individual retirement accounts. Furthermore, ABLE savings accounts will enable individuals with disabilities to accrue funds to pay for a variety of expenses, such as medical and dental care, education, community-based supports, employment training, assistive technology, housing, and transportation.

Your Committee has amended this measure by:

- (1) Clarifying the citation of the Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014 to Division B of Public Law 113-295;
- (2) Removing redundant, substantive language from the definitions of "account owner" and "designated beneficiary" and inserting the non-redundant, substantive language into the operative provisions relating to the terms and conditions of the ABLE savings accounts; and
- (3) Adding an amendment to section 651-124, Hawaii Revised Statutes, to provide that the section applies to ABLE savings accounts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 119, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 119, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1439 Ways and Means on H.B. No. 174

The purpose and intent of this measure is to require health insurance coverage of orthodontic treatment for orofacial anomalies.

Your Committee received written comments in support of this measure from the American Academy of Pediatrics, Hawaii Chapter; State Council on Developmental Disabilities; Hawaii Dental Association; Kapiolani Medical Center; Lifetime of Smiles; and twenty-nine individuals. Your Committee received written comments on this measure from the Department of Health and the Insurance Commissioner.

Your Committee finds that orthodontic care for infants and children who are born with oral and facial abnormalities is vitally important to ensure optimal nutrition and proper speech development. If such care is not provided in a timely manner, then these children can be left with lifelong impairment.

Your Committee notes that concerns have been raised over the need to clarify whether orthodontic treatment for orofacial anomalies would be covered under dental plans or health plans, as this could lead to future disputes as to the responsible party.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 174, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1440 Ways and Means on H.B. No. 768

The purpose and intent of this measure is to enhance the cleanliness, upkeep, and safety of housing projects managed by the Hawaii Public Housing Authority.

Specifically, the measure authorizes the Hawaii Public Housing Authority to timely dispose of property that is abandoned, seized, or remaining upon eviction in or around federally assisted housing, elder or elderly housing, and state low-income housing projects.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that the Hawaii Public Housing Authority is currently limited in its ability to remove property that is abandoned, seized, or remaining upon eviction at housing projects under its jurisdiction. Your Committee believes that this measure will enable the Hawaii Public Housing Authority to better manage the upkeep and turnover of its units by expeditiously eliminating property that is abandoned, seized, or remaining upon eviction.

Your Committee has amended this measure by:

- (1) Clarifying that the notice to be provided to the owner by certified mail is only required for property valued at \$500 or more per item, as estimated at the discretion of the Hawaii Public Housing Authority; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 768, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 768, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1441 Ways and Means on H.B. No. 1377

The purpose and intent of this measure is to support early intervention services for children from birth to age three and improve the social-emotional and behavioral outcomes for children from birth to age five.

More specifically, this measure appropriates moneys to:

- (1) Develop the specifications, pricing, and an implementation plan for a web-based data system in the Early Intervention Section of the Department of Health; and
- (2) Establish a permanent coordinator position in the Children with Special Health Needs Branch of the Department of Health to improve social-emotional and behavioral outcomes for children from birth to age five.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, Hawaii Early Intervention Coordinating Council, Aloha United Way, and Easter Seals Hawaii. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that Hawaii has served as a pioneer and leader in population-based child health promotion, identification, and intervention programs. The Department of Health provides early intervention services through nineteen state and purchase-of-service programs managed by the Department's Early Intervention Section. Your Committee finds that the Early Intervention Section's current data system is antiquated and does not have web-based capability for real-time access to data.

Your Committee believes that the web-based data system and coordinator position supported by this measure would enable more effective and efficient state early intervention services for children who have developmental delays or are at risk for delays. In addition, this measure will improve outcomes for children from birth to age five because intervention may reduce the need for more intensive services later in life.

Your Committee has amended this measure:

- (1) To clarify that the child outcomes to be improved include developmental outcomes, rather than only social-emotional and behavioral outcomes; and

- (2) By adding an additional responsibility to the description of the statewide coordinator position, which is to promote follow-up for children who are not eligible for services under Part C of the Individuals with Disabilities Education Act.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1377, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1377, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1442 Ways and Means on H.B. No. 1236

The purpose and intent of this measure is to expand Medicaid assistance to cover working adults with disabilities.

The measure expands the State's Medicaid program by:

- (1) Establishing within the Department of Human Services, a two-year, working disabled adults pilot program, and appropriating funds to the department to implement the program;
- (2) Establishing within the Department of Human Services the Medicaid buy-in program for workers with disabilities; and
- (3) Requiring the Department of Human Services to submit a report to the Legislature on the pilot program and the buy-in program.

Your Committee received written comments in support of this measure from the Department of Human Services, Department of Health, State Council on Developmental Disabilities, Hawaii Disability Rights Center, Lanakila Pacific, and two individuals.

Your Committee finds that many people with disabilities want to work but worry that doing so could jeopardize their health coverage. Expanding access to Medicaid would provide people with disabilities who are interested in working the opportunity to obtain or keep health coverage while on the job, which not only benefits the individuals' self-esteem, but also contributes to their self-sufficiency and independence. The employment of people with disabilities will encourage more consumers to put money back into the economy and result in more contributing taxpayers and better use of state resources.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2060, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1236, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1236, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1443 Ways and Means on H.B. No. 1025

The purpose and intent of this measure is to provide greater flexibility in establishing the salary of the Executive Director of the Hawaii Housing Finance and Development Corporation.

Specifically, this measure, with regard to the Hawaii Housing Finance and Development Corporation:

- (1) Authorizes the Corporation's Board of Directors to set and adjust the salary of the Executive Director; and
- (2) Requires the Board of Directors to submit a report to the Legislature following each salary adjustment of the Executive Director.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committee received written comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that allowing the Board of Directors of the Hawaii Housing Finance and Development Corporation to set the Executive Director's salary will assist in recruiting, retaining, and rewarding a candidate who is qualified for the position. However, your Committee believes that it is appropriate to provide the Board of Directors with a reasonable salary ceiling for such authority, consistent with salary provisions for the other department and agency heads, as set by the Commission on Salaries.

Your Committee has amended this measure by placing a cap on the salary of the Executive Director in an amount equal to the salary of the Director of Business, Economic Development, and Tourism.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1025, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1025, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1444 (Majority) Ways and Means on H.B. No. 1010

The purpose and intent of this measure is to authorize the counties to establish a commuter benefits program.

More specifically, this measure authorizes counties to adopt an ordinance requiring employers to offer employees commuter benefit options that consist of one or more of the following:

- (1) A program allowing covered employees to elect to exclude specific travel costs from taxable wages;
- (2) A program where employers offer a subsidy to offset monthly commuting costs; or
- (3) Transportation furnished by the employers at no cost or low cost to the employees.

Your Committee received written comments in support of this measure from the City and County of Honolulu Department of Transportation Services, Bikeshare Hawaii, Hawaii Bicycling League, Hawaii Energy Policy Forum, Uluopono Initiative, and two individuals. Your Committee received written comments in opposition to this measure from The Chamber of Commerce Hawaii, Kauai Chamber of Commerce, and Maui Chamber of Commerce. Your Committee received written comments on this measure from one individual.

Your Committee finds that employer-provided commuter benefits enable employees to reduce their transportation costs by allowing employees to use pre-tax dollars for their commuting expenses. Your Committee also finds that commuter benefits programs promote the reduction of traffic congestion, greenhouse gas emissions, air pollution, and the State's reliance on imported fossil fuel. Your Committee believes that commuter benefits will assist the State to meet the Hawaii clean energy initiative standards and achieve the greenhouse gas reduction target established by Act 234, Session Laws of Hawaii 2007. Your Committee also believes that this measure will enhance the quality of life of the State's commuters.

Your Committee has amended this measure by:

- (1) Deleting the provision authorizing the counties to adopt an ordinance establishing a commuter benefits program that would involve transportation furnished by the employer, at no cost or low cost to employees, in a multi-passenger vehicle operated by or for the employer; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1010, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1010, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 1445 Ways and Means on H.B. No. 971

The purpose and intent of this measure is to amend the composition of the Board of Directors (Board) of the Aloha Tower Development Corporation.

Specifically, the measure:

- (1) Increases Board membership from three to five voting members;
- (2) Adds to the Board the Chairperson of the Board of Land and Natural Resources, one member to be appointed by the Speaker of the House of Representatives, and one member to be appointed by the President of the Senate;
- (3) Removes from the Board the Director of Transportation;
- (4) Designates the Deputy Director of Transportation, Harbors Division, as the Chairperson of the Board; and
- (5) Repeals the position of Chief Executive Officer.

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee finds that the current composition of the Board of Directors of the Aloha Tower Development Corporation presents challenges in conducting Corporation business. Your Committee believes that the change in Board composition and the addition of members to the Board, as proposed under this measure, will improve the Board's ability to conduct business and ensure that more perspectives are represented.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 971, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 971, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1446 Ways and Means on H.B. No. 774

The purpose and intent of this measure is to appropriate moneys to the Department of Business, Economic Development, and Tourism to enable the Small Business Regulatory Review Board to hire additional staff.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; State Procurement Office; Building Industry Association of Hawaii; Hawaii Farm Bureau; The Chamber of Commerce Hawaii; Maui Chamber of Commerce; and one individual.

Your Committee finds that the Small Business Regulatory Review Board is composed of small business members throughout the State who volunteer their time and meet on a monthly basis. The members review existing, modified, and new administrative rules that affect small businesses to ensure that these rules are designed and implemented in the most cost-efficient and straightforward manner possible. Your Committee notes that there is only one staff member assigned from the Department of Business, Economic Development, and Tourism to assist the Small Business Regulatory Review Board. Your Committee further finds that an appropriation for additional staff would help the Small Business Regulatory Review Board to fulfill its statutorily-mandated responsibilities.

Your Committee notes that as the measure moves forward, thought should be given as to whether the position or positions will be part time, full time, temporary, or permanent.

Your Committee has amended this measure by:

- (1) Providing for an unspecified number of additional staff positions to be filled;
- (2) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 774, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 774, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1447 Ways and Means on H.B. No. 621

The purpose and intent of this measure is to protect the marine ecosystem by phasing out, within the State, the manufacture and sale of personal care products containing synthetic plastic microbeads.

Your Committee received written comments in support of this measure from the American Chemistry Council, Conservation Council for Hawaii, Surfrider Foundation, and three individuals. Beach Environmental Awareness Campaign Hawaii, Californians Against Waste, and The Story of Stuff Project submitted written comments on the measure.

Your Committee finds that synthetic plastic microbeads pose a serious threat to ocean and marine life. Synthetic plastic microbeads are non-biodegradable solid plastic particles measuring less than five millimeters that are commonly added to skin care products. In particular, synthetic plastic microbeads are most often found in skin care products that are eventually rinsed down a drain and into the public wastewater system. Synthetic plastic microbeads are too small to be filtered in sewage treatment facilities, therefore, they are discharged into the ocean. Marine life face potential DNA damage and death from eating the synthetic plastic microbeads that pollute the ocean. Gradually prohibiting the manufacturing and sale of personal care products that contain synthetic plastic microbeads will allow the cosmetic industry time to adjust their manufacturing practices while ultimately protecting Hawaii's marine environment.

Your Committee has amended this measure by changing the effective date to July 1, 2053, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 621, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 621, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Galuteria).

SCRep. 1448 Ways and Means on H.B. No. 582

The purpose and intent of this measure is to amend and extend the nursing facility sustainability program.

More specifically, the measure:

- (1) Repeals an exemption for the nursing facility sustainability program special fund from central services expenses and departmental administrative expenses;
- (2) Continues the nursing facility sustainability program for one additional year; and
- (3) Appropriates funds from the nursing facility sustainability program special fund for fiscal year 2015-2016.

Your Committee received written comments in support of this measure from the Department of Human Services, the Chamber of Commerce of Hawaii, The Queen's Health Systems, the Hawaii Primary Care Association, and the Healthcare Association of Hawaii. The Department of the Attorney General submitted written comments on the measure.

Your Committee finds that Medicaid payments to nursing facilities are below the actual costs of care, and that the Legislature therefore created the nursing facility sustainability program to increase Medicaid payments to nursing facilities.

Your Committee further finds that, because the majority of residents in Hawaii's nursing facilities are Medicaid enrollees, the nursing facility sustainability program helps promote the financial solvency of those facilities to ensure that the residents have access to quality care.

Accordingly, your Committee believes that the nursing facility sustainability program should be extended for an additional year.

Your Committee has amended this measure by:

- (1) Revising sections 36-27(a) and 36-30(a), Hawaii Revised Statutes, to reflect how those sections will appear on the effective date of this measure, December 31, 2016, after those sections will be reenacted on June 30, 2015, in the form in which they read on June 30, 2009, pursuant to Act 79, Session Laws of Hawaii 2009, with the addition of subsequent amendments that were exempted from the repeal and reenactment provisions of that Act;
- (2) Adding language to clarify that this measure amends Act 156, Session Laws of Hawaii 2012, by amending:
 - (a) Section 2 of Act 156, in Section 3 of the measure; and
 - (b) Section 5 of Act 156, in Section 4 of the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 582, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 582, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1449 Ways and Means on H.B. No. 346

The purpose and intent of this measure is to increase the fees paid to civil process servers. More specifically, this measure increases:

- (1) Fees for serving specified documents;
- (2) The rate for mileage necessarily traveled in serving documents; and
- (3) The minimum hourly fee that may be paid in lieu of service and mileage fees by agreement of the serving party and the server;

Your Committee received written comments in support of this measure from two individuals. The Department of Public Safety, Hawaii Financial Services Association, and one individual submitted written comments on the measure.

Your Committee finds that it has been over ten years since the fee structure for service of process has been examined. During that ten years, cost of living and doing business in Hawaii has risen significantly. Reasonably increasing fees will ensure that civil process servers are compensated fairly for their services without unduly burdening those paying the fees.

Your Committee also finds that there are two separate fee schedules in statute for sheriffs, deputy sheriffs, police officers, and independent process servers serving civil process. While similar, these two fee schedules are not identical. Aligning the two fee schedules will create clarity and efficiency for those serving process and for those paying for services.

Your Committee has amended this measure by:

- (1) Aligning the district court fee schedule for sheriff, deputy sheriff, police officer, and civil process servers on the Department of Public Safety's list for service of civil process established under section 607-4(d), Hawaii Revised Statutes, with the fee schedule established under section 607-8(a), Hawaii Revised Statutes;
- (2) Making the fee for serving a subpoena or subpoena duces tecum the same as the fee for serving a civil summons or any other civil process except a garnishee summons;
- (3) Changing the fee increase for serving a civil summons, subpoena, subpoena duces tecum, or other civil process from \$40 to \$43;
- (4) Reducing the fee increase for serving a garnishee summons from \$40 to \$30;
- (5) Increasing from \$1,000 to \$10,000 the threshold at which the fee for serving any execution or other process for the collection of money is reduced from 5 cents per dollar collected to 2-1/2 cents per dollar collected;
- (6) Deleting the fee increases for serving any execution or other process for the collection of money;
- (7) Deleting the increase to the minimum hourly civil process server fee; and
- (8) Making the measure effective upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 346, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 346, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1450 Ways and Means on H.B. No. 261

The purpose and intent of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to provide and update information on drug formularies through a public website and toll-free number posted on the website.

This measure also establishes a working group to recommend a template for providing formulary information under this measure.

Your Committee received written comments in support of this measure from the American Cancer Society Cancer Action Network and the Hawaii Medical Association. Written comments on the measure were received from the Insurance Commissioner, the Hawaii Association of Health Plans, and the Hawaii Medical Service Association.

Your Committee finds that many patients choose a health plan that promises to cover their specific drug needs. Unfortunately, plans can change their formularies at any time, leaving patients with significantly higher co-pays than they had budgeted for when they originally contracted with their health insurance plan. Your Committee believes that this measure will go a long way to remedy this issue.

Your Committee has amended this measure by:

- (1) Adding language to the formulary requirement for health insurers in section 1 of the measure to clarify that the formulary requirement does not apply to limited benefit health insurance, Medicare, Medicaid, or other federally financed plans, consistent with similar provisions in the measure;
- (2) Redrafting the formulary requirement for health maintenance organizations as an amendment to section 432D-23, Hawaii Revised Statutes, rather than as a new section to chapter 432D, Hawaii Revised Statutes; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 261, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 261, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 1451 Ways and Means on H.B. No. 139

The purpose and intent of this measure is to support the development of renewable and efficient energy systems by authorizing the issuance of special purpose revenue bonds to assist Anaergia Inc., with the development of facilities for renewable nonfossil fuel energy production on Maui.

Your Committee received written comments in support of this measure from Anaergia Services, LLC; Ulupono Initiative; Mayor Alan Arakawa, Maui County; West Maui Taxpayers Association Inc.; and one individual. Your Committee received written comments on this measure from the Department of Budget and Finance and one individual.

Your Committee finds that supporting the development of renewable and efficient energy systems in the State is in the public interest. Your Committee further finds that authorizing the issuance of special purpose revenue bonds for Anaergia Inc., will further the development of renewable and efficient energy systems, create new jobs, and reduce waste and transportation costs.

Your Committee has amended this measure by:

- (1) Changing the bond authorization amount from an unspecified amount to \$90,000,000; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 139, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 139, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1452 (Majority) Ways and Means on H.B. No. 11

The purpose and intent of this measure is to incentivize public school teachers to maintain national board certification and teach at certain schools by providing them with an additional \$5,000 per year bonus.

Your Committee received written comments in support of this measure from the Department of Education, the Hawaii Teacher Standards Board, Hui for Excellence in Education, and one individual.

Your Committee finds that maximizing student achievement is an important state interest, and that teacher quality is considered to be one of the most influential factors in student achievement. The National Board for Professional Teaching Standards offers national board certification for teachers who complete a rigorous certification process, which includes providing evidence of a teacher's quality. Your Committee also finds that schools in focus, priority, or superintendent's zones may have trouble recruiting high quality teachers. Your Committee believes that providing high quality teachers who have national board certification with an additional per year bonus will incentivize these teachers to work in schools in focus, priority, or superintendent's zones.

Your Committee has amended this measure by deleting provisions that would have provided an additional per year bonus to teachers with national board certification who continue to teach in a school that no longer has a qualifying designation pursuant to section 302A-706(a)(4), Hawaii Revised Statutes.

Your Committee acknowledges the Hawaii State Teachers Association's position that an additional per year bonus offers an incentive to public school teachers who have national board certification and who continue to teach in schools that no longer qualify for a special designation that provides teachers with bonuses. However, your Committee suggests that the collective bargaining process would be the appropriate forum to secure such a bonus.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 11, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 11, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 1453 Ways and Means on H.B. No. 58

The purpose and intent of this measure is to protect persons who have been granted long-term protective orders.

More specifically, the measure:

- (1) Establishes a three-year protective order card pilot program under the Honolulu Family Justice Center;
- (2) Authorizes the Honolulu Family Justice Center to issue, to any person who has been granted a long-term protective order by any court of the First Circuit of the State, a protective order card containing information about a person being restrained, the terms of a protective order, and related information;
- (3) Authorizes the Honolulu Family Justice Center to charge a fee not to exceed \$20 per protective order card issued after the first card;
- (4) Requires the Honolulu Family Justice Center to maintain a database of all protective order cards issued through the program and their related long-term protective orders, and to make the database accessible to law enforcement personnel;
- (5) Authorizes the Honolulu Family Justice Center to work with private and public agencies and accept funding from public agencies and private persons to support the program;
- (6) Requires the Department of the Prosecuting Attorney of the City and County of Honolulu to submit a report on the program to the Legislature prior to the convening of the Regular Sessions of 2016, 2017, and 2018; and
- (7) Appropriates unspecified sums for fiscal years 2015-2016 and 2016-2017 for grants-in-aid to the Honolulu Family Justice Center to implement the program.

Your Committee received written comments in support of this measure from the Department of the Attorney General, the Department of the Prosecuting Attorney of the City and County of Honolulu, Ala Kuola, and one individual.

Your Committee finds that it is often impractical for the recipient of a protective order to constantly carry a certified copy of their protective order on their person. Authorizing the distribution of laminated cards containing pertinent information about a protective order and a person being restrained will facilitate the enforcement of protective orders and help protect the recipients of protective orders.

Your Committee has amended this measure by:

- (1) Specifying that all fees collected for the issuance of a protective order card shall be deposited in the general fund of the City and County of Honolulu;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 58, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 58, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Slom).

SCRep. 1454 (Majority) Ways and Means on H.B. No. 148

The purpose and intent of this measure is to provide redress to persons wrongfully imprisoned in the State.

Specifically, the measure:

- (1) Establishes procedures for a person who was wrongfully convicted and imprisoned to petition for a claim for damages against the State; and
- (2) Provides for immediate services to persons wrongfully convicted and imprisoned.

Your Committee received written comments in support of this measure from Community Alliance on Prisons; the Hawaii Innocence Project, Hoomana Pono, LLC; and three individuals. Your Committee received written comments in opposition to the measure from the Department of the Attorney General and the Hawaii Paroling Authority.

Your Committee finds that innocent persons who have been wrongly convicted of crimes and subsequently imprisoned have been uniquely victimized, have distinct challenges re-entering society, and have difficulty achieving legal redress due to a variety of substantive and technical obstacles in the law. Your Committee believes that the compensation and services provided by this measure will help wrongfully convicted persons transition back into society and will increase their future self-sufficiency.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 148, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 148, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 1455 Ways and Means on H.B. No. 207

The purpose and intent of this measure is to enhance public agency understanding regarding protections for native Hawaiian and Hawaiian traditional and customary rights.

Specifically, this measure:

- (1) Requires the Office of Hawaiian Affairs to develop and administer a native Hawaiian and Hawaiian rights training course;
- (2) Requires members of various state councils, boards, and commissions to attend the training course; and
- (3) Allows other state or county officials and employees to request their enrollment in the training course.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, State Land Use Commission, Aha Moku Advisory Committee, Association of Hawaii Civic Clubs, Ka Huli Ao Center, Kua'aina Ulu 'Auamo, and four individuals. Your Committee received written comments in opposition to this measure from the Land Use Research Foundation of Hawaii. One individual submitted written comments on this measure.

Your Committee finds that the decisions of individuals appointed to the Land Use Commission, Board of Land and Natural Resources, Commission on Water Resource Management, Environmental Council, Board of Directors of the Agribusiness Development Corporation, Board of Agriculture, Legacy Land Conservation Commission, Natural Area Reserves System Commission, Hawaii Historic Places Review Board, and Board of Health can impact native Hawaiian and Hawaiian traditional and customary rights. However, appointment to these various state councils, boards, or commissions does not require knowledge of native Hawaiian and Hawaiian rights. This measure will help to ensure that appointed individuals will be educated and aware of native Hawaiian and Hawaiian traditional and customary rights so that their decisions will be consistent with the State's fiduciary obligations in these matters.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 207, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 207, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1456 Ways and Means on H.B. No. 440

The purpose and intent of this measure is to appropriate moneys for forest conservation, watershed management, emergency response, and forest and outdoor recreation improvement.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, State Fire Council, National Park Service, The Nature Conservancy, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, East Maui Irrigation Co., Ltd., East Maui Watershed Partnership, Hawaii Green Growth, Kauai Watershed Alliance, Oahu Invasive Species Committee, West Maui Mountains Watershed Partnership, and three individuals.

Your Committee finds that forest conservation and access are critical to sustain Hawaii's natural environment. However, climate change significantly threatens Hawaii's freshwater supplies, and the quality, quantity, and sustainability of this resource depends upon ensuring that forest watersheds are resilient to drought conditions. Further, extreme natural disasters, such as wildfires and hurricanes, are expected to increase in frequency and severity, and additional resources are necessary to prepare for and respond to these emergencies. Your Committee further finds that funding is necessary to improve forest and outdoor infrastructure so that residents and visitors may continue to experience and enjoy Hawaii's natural environment.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 440, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 440, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1457 Ways and Means on H.B. No. 457

The purpose and intent of this measure is to appropriate moneys to the University of Hawaii to ensure compliance with Title IX of the Education Amendments of 1972 and the Violence Against Women Reauthorization Act of 2013 to address sexual violence on campus.

Your Committee received written comments in support of this measure from the University of Hawaii, Planned Parenthood of Hawaii, and University of Hawaii Commission on the Status of Women.

Your Committee finds that sexual violence is prevalent on American college campuses, and it is evident that Hawaii's college students are also affected by this problem. Title IX of the Education Amendments of 1972 prohibits discrimination on the basis of sex in the administration of any education program receiving federal financial assistance. The Violence Against Women Reauthorization Act of 2013 is targeted at ending violence against women and girls and remedying laws and social practices that, in the past, have fostered and justified violence against women and girls. Your Committee further finds that the University of Hawaii requires additional staff and materials to ensure compliance with these federal mandates to effectively address campus sexual violence.

Your Committee believes that a report to the Legislature on the use of the appropriations made by this measure and the status of compliance with federal law would provide valuable information to help the Legislature ensure that the University is effectively addressing campus sexual violence. Accordingly, your Committee has amended this measure by:

- (1) Requiring the University of Hawaii to submit a report to the Legislature, prior to the Regular Sessions of 2016 and 2017, on the use of the appropriation and the status of compliance with Title IX and the Violence Against Women Reauthorization Act; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 457, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 457, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1458 Ways and Means on H.B. No. 461

The purpose and intent of this measure is to transfer the Office of Information Practices from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

Your Committee received written comments in support of this measure from the Office of Information Practices and the League of Women Voters.

Your Committee finds that placing the Office of Information Practices within the Department of Accounting and General Services will meet the state constitutional requirement that permanent executive branch offices be allocated within principal executive branch departments.

Your Committee has amended this measure by changing the effective date of:

- (1) Section 5, relating to the powers and duties of the Office of Information Practices, to take effect upon approval; and
- (2) The rest of the measure to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 461, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 461, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1459 Ways and Means on H.B. No. 503

The purpose and intent of this measure is to provide funding for fiscal year 2016-2017 to pursue drought mitigation projects and measures in each county of the State.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Ulupono Initiative, and Hawaii Crop Improvement Association.

Your Committee finds that a viable agricultural industry requires a steady, reliable water supply that is immune to adverse drought conditions. Your Committee also finds that, in 2004, the counties developed drought mitigation strategies to address the local needs and concerns of each county. These strategies are incorporated by reference into the Hawaii drought plan, the purpose of which is to develop coordinated emergency response mechanisms and outline steps toward reducing the effects of future drought occurrences. The Hawaii drought plan provides clear guidance and strategies for mitigating and responding to drought conditions.

Your Committee believes that to address the harmful impact of droughts, the Hawaii drought plan's mitigation measures must be implemented. Your Committee also believes that the counties require sufficient funding to adequately implement the Hawaii drought plan and address the challenges that the State's agricultural industry faces in preparing for droughts.

Your Committee has amended this measure by:

- (1) Changing the appropriation provision for fiscal year 2016-2017 to include both years of the fiscal 2015-2017 biennium; and
- (2) Changing the effective date to July 1, 2051, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 503, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 503, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1460 Ways and Means on H.B. No. 600

The purpose and intent of this measure is to recognize the varied needs of the State's aging population.

Specifically, the measure:

- (1) Authorizes the Department of Health to permit two persons who are not Medicaid recipients to be cared for in the same community care foster family home if:
 - (A) The community care foster family home is certified for three beds;
 - (B) Operators of the three-bed community care foster family home immediately notify the Department of any vacancy in writing; and
 - (C) Two of the three nursing level clients are in a marriage or civil union relationship; and
- (2) Requires the Department of Health to submit a report to the Legislature on the authorization to allow two persons who are not Medicaid recipients to be cared for in the same community care foster family home, including its impact on the availability of space for Medicaid recipients.

Your Committee received written comments in support of this measure from the Adult Foster Home Association of Hawaii and thirteen individuals. The Department of Human Services provided comments on the measure.

Your Committee finds that community care foster family homes provide an essential function in the State by providing twenty-four-hour living accommodations, which include housing, supervision, personal care, and assistance with daily living activities for their residents. Under current law, community care foster family homes are licensed to provide accommodations and services to not more than two adults at any one time, at least one of whom shall be a Medicaid recipient, who are at the nursing facility level of care. However, under certain conditions, the Department of Health may certify a community care foster family home for a third adult who is at the nursing level of care and a Medicaid recipient.

Your Committee believes that, by allowing two persons who are not Medicaid recipients to be cared for in the same community care foster family home if certain conditions are met, this measure provides more long-term care options for persons in a marriage or civil union relationship who need care in a community care foster family home, but who are not Medicaid recipients.

Your Committee has amended this measure by:

- (1) Defining the terms "medicaid bed" and "private-pay bed" in section 321-481, Hawaii Revised Statutes;
- (2) Changing the effective date to July 1, 2060, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 600, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 600, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1461 Ways and Means on H.B. No. 821

The purpose and intent of this measure is to clarify statutory provisions relating to early childhood education.

More specifically, this measure:

- (1) Authorizes the Executive Office on Early Learning to use and expend federal funds for early childhood education;
- (2) Defines the term "early childhood education" to mean a developmentally appropriate early childhood development and education program for children from birth until the time they enter kindergarten, and repeals the term "early education" which provided for early childhood education for children from birth until eight years of age; and
- (3) Makes conforming amendments to chapters 302A and 302L, Hawaii Revised Statutes, regarding the roles of the Department of Education and the Executive Office on Early Learning in early childhood education.

Your Committee received written comments in support of this measure from the Department of Education, the Hawaii State Teachers Association, The Chamber of Commerce of Hawaii, the Democratic Party of Hawaii, Good Beginnings Alliance, Hui for Excellence in Education, PHOCUSED, and two individuals.

Your Committee finds that because a significant amount of human brain development takes place between birth and the age of five, it is important to encourage early childhood education to facilitate proper brain development in young children. Your Committee also finds that early childhood education yields economic, as well as physical and mental, results. For example, a 2008 study showed that for every dollar that the State invests in a quality four-year early learning program, the State receives a return of \$4.20. Your Committee believes that this measure will enable the Executive Office on Early Learning to use federal funds to develop additional resources and avenues to provide early childhood education and allow the State to provide more focused early childhood education, by clarifying the boundaries between the Department of Education and the Executive Office on Early Learning.

Your Committee has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 821, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 821, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1462 Ways and Means on H.B. No. 1251

The purpose and intent of this measure is to provide assistance to public charter schools and early learning programs.

Specifically, this measure:

- (1) Provides a framework for public charter schools and early learning programs to use and occupy vacant state facilities;
- (2) Requires the Board of Education to include information on facility and project funding in its annual report on public charter schools;
- (3) Requires the Legislature, starting with the 2016-2017 fiscal year, to consider appropriations and bond authorizations for charter school facilities;
- (4) Establishes a charter school facilities funding working group to advise the State Public Charter School Commission on prioritizing general fund appropriations and bond proceeds for public charter schools; and
- (5) Appropriates funds for charter school facilities and improvements.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, State Public Charter School Commission, Hawaii State Teachers Association, Kamehameha Schools, Ke Kula o Samuel M. Kamakau, Kona Pacific Public Charter School, and eleven individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that, unlike conversion charter schools and Department of Education schools, start-up public charter schools must use operating funds for facility expenses. This creates significant financial burdens for public charter schools and ultimately results in less funds expended directly to educate students. This measure takes necessary steps to address the funding needs of public charter schools.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1251, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1251, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1463 Ways and Means on H.B. No. 467

The purpose and intent of this measure is to improve detection of critical, life-threatening congenital heart defects in newborns in the State.

Specifically, the measure requires birthing facilities to:

- (1) Perform a pulse oximetry test or other medically accepted screening on newborns to screen for critical congenital heart defects; and
- (2) Report certain critical congenital heart defect screening data to the Department of Health.

Your Committee received written comments in support of this measure from the Department of Health, the American Heart Association, Kapiolani Medical Center, March of Dimes, and one individual.

Your Committee finds that congenital heart defects are structural abnormalities of the heart that are present at birth and are the number one killer of infants with birth defects. Your Committee further finds that pulse oximetry is effective at detecting critical, life-threatening congenital heart defects, which otherwise go undetected by current screening methods. Your Committee believes that many newborn lives can potentially be saved by requiring birthing facilities to perform this simple, non-invasive newborn screening in conjunction with current congenital heart disease screening methods.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2015; and
- (2) Making technical nonsubstantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 467, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 467, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, English, Riviere).

SCRep. 1464 Ways and Means on H.B. No. 1296

The purpose and intent of this measure is to provide for the expansion of hydrogen-based energy in the State.

Specifically, this measure:

- (1) Designates the Director of the Hawaii Center for Advanced Transportation Technologies as the State Hydrogen Implementation Coordinator;
- (2) Requires the State Hydrogen Implementation Coordinator to:
 - (A) Facilitate hydrogen-based energy policies and infrastructure; and
 - (B) Convene the Hydrogen Implementation Working Group to study and examine methods to promote the expansion of hydrogen-based energy in Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Energy Policy Forum; and Hawaii Auto Dealers Association. Your Committee received written comments on this measure from The Alliance of Automobile Manufacturers and the High Technology Development Corporation.

Your Committee finds that the automobile industry has spent billions of dollars developing automobiles that use hydrogen fuel. However, a lack of proper infrastructure to supply hydrogen fuel has severely hampered widespread adoption of this alternative fuel source. Your Committee believes that this measure takes necessary steps to develop hydrogen production and fueling stations within the State and will help to reduce the State's dependence on imported fossil fuel.

With the prior concurrence of the Chairperson of the Senate Committee on Economic Development and Technology, your Committee has amended this measure by:

- (1) Requiring that the State Hydrogen Implementation Coordinator act under the delegated authority of the Energy Resources Coordinator;
- (2) Formally establishing the Hydrogen Implementation Working Group; and
- (3) Specifying that the members of the Hydrogen Implementation Working Group shall serve without compensation, but shall be reimbursed for expenses necessary for the performance of their duties.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1296, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1296, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1465 Ways and Means on H.B. No. 1478

The purpose and intent of this measure is to codify the State's role in co-managing the Hawaiian Islands Humpback Whale National Marine Sanctuary (Sanctuary) with the National Oceanic and Atmospheric Administration.

Specifically, the measure:

- (1) Establishes the Hawaiian Islands Humpback Whale National Marine Sanctuary program to coordinate and fulfill the State's management duties relating to the Sanctuary;
- (2) Establishes a Sanctuary co-manager position within the program to represent the State in management of the Sanctuary; and
- (3) Appropriates moneys to establish the Sanctuary co-manager position and for costs relating to the State's co-management of the Sanctuary.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, the Office of Planning, the Hawaii National Marine Sanctuary Foundation, the Aha Moku Advisory Committee, Aqua Lung Pacific, the Conservation Council for Hawaii, Hawaii Green Growth, the Hawaii Audubon Society, Kuaaina Ulu Auamo, the Ocean Tourism Coalition, The Nature Conservancy, forty-five signatories to a petition from Hawaii Pacific University, and twelve individuals.

Your Committee finds that the Hawaiian Islands Humpback Whale National Marine Sanctuary provides an essential habitat for breeding, calving, and nursing activities of the endangered North Pacific Humpback Whale. Your Committee further finds that the State and the National Oceanic and Atmospheric Administration entered into a compact for co-management of the Sanctuary to improve interagency coordination and to enhance management of Hawaii's humpback whales and other marine resources. Your Committee believes that this measure will help clarify the State's role in co-managing the Sanctuary.

Your Committee notes that, according to the Department of Land and Natural Resources' written comments, the salary and other costs for the 1.0 FTE co-manager position are estimated to be \$117,500 per fiscal year.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1478, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1478, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1466 Judiciary and Labor on H.B. No. 436

The purpose and intent of this measure is to require approaching vehicles to slow and change lanes when nearing Sheriff Division vehicles, Hawaii Emergency Management Agency vehicles, Civil Defense vehicles, Department of Transportation Harbors Division vehicles, Department of Land and Natural Resources Division of Conservation and Resources Enforcement vehicles, and county emergency management vehicles that are stopped for official duties, by amending the definition of "emergency vehicle" in the statewide traffic code to include these vehicles.

Your Committee received testimony in support of this measure from the Department of Defense; Department of Transportation; Department of Emergency Management, City and County of Honolulu; Kauai Civil Defense Agency; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and eight individuals.

Your Committee finds that this measure is necessary to assist emergency management and civil defense personnel in the performance of their official duties in emergency or disaster situations.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 436, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 436, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1467 Ways and Means on H.B. No. 1153

The purpose and intent of this measure is to exempt certain veterans from the requirement of paying annual vehicle registration fees.

Specifically, this measure;

- (1) Exempts disabled veterans who:
 - (A) Are residents of the State;
 - (B) Have been other than dishonorably discharged;
 - (C) Have a service-connected, one-hundred per cent disability rating;
 - (D) Satisfy an annual income limit; and
 - (E) Receive disability retirement pay,
 from the payment of annual vehicle registration fees; and
- (2) Requires the Office of Veterans' Services to submit an annual report to the Legislature and the Department of Taxation regarding the number of disabled veterans that qualify for the annual vehicle registration fee exemption.

Your Committee received written comments in support of this measure from the Office of Veteran Affairs. Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that providing a limited exemption from vehicle registration fees would provide some financial assistance for disabled veterans who have served valiantly and sacrificed to defend the United States.

Your Committee has amended this measure by:

- (1) Deleting the provisions that establish an income ceiling as a qualification for the exemption established by this measure;
- (2) Codifying, in the Hawaii Revised Statutes, the provisions that require the Office of Veterans' Services to submit an annual report to the Legislature and the Department of Taxation regarding the number of disabled of veterans that qualify for the exemption established by this measure;
- (3) Specifying that the measure applies prospectively to motor vehicle registrations issued or renewed after an unspecified date;
- (4) Making the measure effective upon its approval; and
- (5) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1153, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1153, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1468 Judiciary and Labor on H.B. No. 26

The purpose and intent of this measure is to clarify the method of calculating the compensation of trustees. Specifically, this measure:

- (1) Clarifies that advanced written notice of any amendment of trustee bank and trust company fee schedules shall be provided to beneficiaries who are vested at the time of the notice;
- (2) Amends the method of calculating compensation for individual co-trustees;
- (3) Specifies that trustees shall be paid not more than once per quarter, rather than upon the trust's receipt of income; and
- (4) Repeals the cost of living adjustment of the asset value ranges upon which trustee annual compensation is calculated.

Your Committee received testimony in support of this measure from the Trust Services Group at Bank of Hawaii, Wealth Management LLC, and The Mark A. Robinson Trusts.

Your Committee finds that this measure provides for a more clearly defined implementation of Act 212, Session Laws of Hawaii 2014, codified under section 607-18, Hawaii Revised Statutes. Your Committee notes the concerns raised in testimony that this measure does not recognize that the responsibilities and liabilities are the same for corporate and individual trustees.

Accordingly, your Committee has amended this measure by:

- (1) Adopting language suggested by the Trust Services Group at Bank of Hawaii that:
 - (A) Specifies that individuals who in the ordinary course of business serve as fiduciaries and banks and trust companies serving as trustees are entitled to reasonable compensation; and
 - (B) Entitles individuals who in the ordinary course of business serve as fiduciaries and banks and trust companies serving as trustees to reasonable compensation, which may be set forth in published fee schedules and exempts these individuals, banks, and trust companies from the compensation calculation methodology set forth in section 607-18(c), Hawaii Revised Statutes;
- (2) Making conforming amendments to reflect the inclusion of individuals who in the ordinary course of business serve as fiduciaries;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 26, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 26, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 1469 Judiciary and Labor on H.B. No. 1491

The purpose and intent of this measure is to require noncandidate committees making only independent expenditures to report whether their contributors of \$10,000 or more are subject to disclosure reporting requirements and provide information about the contributors' funding sources.

Your Committee received testimony in support of this measure from the League of Women Voters and three individuals. Your Committee received comments on this measure from the Department of the Attorney General and Campaign Spending Commission.

Your Committee finds that additional disclosure of information regarding election campaign contributions is necessary due to the decision of *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010), and subsequent case law. These decisions have led to the proliferation of political action committees (SuperPACs), which are noncandidate committees that make only independent expenditures, and their virtually unlimited spending in the political arena.

Citizens United assumed meaningful disclosure so that "the electorate [can] make informed decisions and give proper weight to different speakers and messages." However, Hawaii's disclosure requirements for SuperPACs are inadequate to provide the electorate with information showing the true source of the funds behind efforts seeking to influence their vote. The contribution trail is obscured because existing law requires only that the name of the first level of contributor to a SuperPAC be reported on filings with the state Campaign Spending Commission. Often the first level of contributor is another SuperPAC, and, as the names of SuperPACs are frequently meaningless or misleading, disclosure laws aimed at transparency are circumvented. For example, in the 2014 election cycle, contributions totaling around \$8,000,000 were received by twenty-nine SuperPACs registered in Hawaii. Two of the top ten SuperPACs in Hawaii received contributions solely from other SuperPACs, which included a \$2.2 million contribution from an entity that is not required to report in Hawaii. Also, three of the top ten SuperPACs in Hawaii were registered at the same address and made contributions amongst each other, and the origin of their funds are entities with unknown contributors.

Accordingly, this measure amends the State's campaign finance laws to increase transparency and accountability, deter corruption, and strengthen confidence in the election process by providing public access to information about who is the true source of campaign contributions made to or by SuperPACs.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting language from its companion measure, S.B. No. 1344, S.D. 1, which:
 - (A) Requires additional reports from noncandidate committees making only independent expenditures if a contribution of more than \$10,000 in the aggregate or a late contribution of more than \$5,000 in the aggregate is received from certain entities;
 - (B) Requires noncandidate committees making only independent expenditures to disclose contributing entities disclosure reports and certain funding sources; and
 - (C) Requires noncandidate committees making only independent expenditures to acknowledge, if applicable, that the contributing entity is not subject to disclosure reporting requirements regarding the source of the contributions;
- (2) Inserting an effective date of January 1, 2016, to allow the Campaign Spending Commission sufficient time to implement the new reporting requirements for noncandidate committees making only independent expenditures; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1491, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1491, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

SCRep. 1470 Ways and Means on H.B. No. 1182

The purpose and intent of this measure is to address the income tax credit for expenses for household and dependent care services necessary for gainful employment.

More specifically, this measure changes the applicable percentage for calculating the tax credit.

Your Committee received testimony in support of this measure from Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Laborers Union Local 368, ILWU Local 142, and PHOCUSED. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the high cost of living in Hawaii makes it difficult for some families to afford basic living costs, such as housing and child care. This measure would expand the income tax credit for expenses for household and dependent care services necessary for gainful employment by providing a modest increase in the dependent care credit and lowering the income thresholds at which the additional credit may be claimed. Your Committee believes that this measure will provide some financial relief for working low-income households that have costs related to child care or care for an elderly or incapacitated adult.

Your Committee has amended this measure by making a technical nonsubstantive amendment to correct a drafting error.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1182, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1182, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1471 (Joint) Water and Land and Ways and Means on H.B. No. 1168

The purpose and intent of this measure is to authorize the boating special fund to be used to pay for planning, developing, managing, operating, or maintaining lands and improvements under the control and management of the Board of Land and Natural Resources, including the hiring of permanent or temporary civil service exempt staff.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources. Your Committees received comments on this measure from one individual.

Your Committees find that the boating special fund is the sole funding source of the Department of Land and Natural Resources, Division of Boating and Ocean Recreation's capital improvement projects, repair and maintenance of small boat harbors and boating and ocean recreational facilities, and programs. Your Committees further find that the Division of Boating and Ocean Recreation would be able to generate additional revenue for the boating special fund if the division had the capacity to plan, develop, and manage currently underutilized public lands and improvements under its jurisdiction. This expanded capacity will only be possible if the division is able to hire additional staff that have specialized skills and expertise in areas outside of the division's existing staff, such as real estate planning and development.

Your Committees have amended this measure by clarifying that the boating special fund may be used for permanent or temporary civil service exempt positions, among other uses, similarly to the permissible expenditures from the special land and development fund.

As affirmed by the records of votes of the members of your Committees on Water and Land and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1168, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1168, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Ihara).

Ways and Means

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Galuteria, Riviere).

SCRep. 1472 (Joint) Education and Government Operations on H.C.R. No. 224

The purpose and intent of this measure is to urge the Department of Education to name the new building at Waimanalo Elementary and Intermediate School after Al Lewis.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Oahu County Committee of the Democratic Party, International Longshore and Warehouse Union Local 142, and three individuals.

Your Committees find that Al Lewis was a generous individual dedicated to public service. He will be remembered as a pillar in the Waimanalo community for his neighborhood involvement and service to others. In honor of Al Lewis and all his important contributions to the community, the new building at Waimanalo Elementary and Intermediate School should share his name.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 224, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 224, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Keith-Agaran, Kouchi, Slom).

Government Operations

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1473 Ways and Means on H.B. No. 1412

The purpose and intent of this measure is to address the fiscal operations of the Department of Education.

More specifically, this measure:

- (1) Makes permanent the Department of Education's authority to supervise its accounts; and
- (2) Makes corresponding housekeeping amendments to statutory provisions relating to the Department of Education's fiscal operations.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that Act 321, Session Laws of Hawaii 1986, among other things, granted the Department of Education authority and responsibility over all matters relating to the acquisition of goods and services, pre-audit of payments, and accounting. Pursuant to this authority, the Department of Education developed and has been using its own Financial Management System since the early 1990s. Your Committee further finds that the Financial Management System accommodates the unique budgeting and accounting needs of the Department of Education, such as being able to track fund allocations and expenditures in detail to meet state and federal compliance requirements, while also providing the compatibility necessary to fulfill the reporting requirements of the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1412, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1474 Ways and Means on H.B. No. 823

The purpose and intent of this measure is to improve enforcement mechanisms for agricultural theft or agricultural vandalism on the County of Hawaii.

Specifically, this measure:

- (1) Requires the Department of Agriculture to:
 - (A) Establish a two-year agricultural theft pilot project to focus on investigating and prosecuting agricultural theft or agricultural vandalism in the County of Hawaii;
 - (B) Partner with the County of Hawaii to hire an enforcement officer within the Office of the Prosecuting Attorney, County of Hawaii; and
 - (C) Assess the implementation of the pilot project and submit a report of its findings and recommendations to the Legislature; and
- (2) Provides a grant-in-aid to the Office of the Prosecuting Attorney, County of Hawaii, for the pilot project.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Office of the Prosecuting Attorney, County of Hawaii; the Hawaii Farm Bureau; and the Hawaii Crop Improvement Association.

Your Committee finds that agricultural theft or agricultural vandalism has been a constant threat for farmers and ranchers in the County of Hawaii. Your Committee further finds that, due to the broad acreage that many farming operations encompass, it is often difficult for farmers to police their entire operations at all times. Your Committee believes that the enforcement mechanisms in this measure will help reduce the cost of production for farming operations in the County of Hawaii, thereby improving their chances for success.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 823, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1475 Ways and Means on H.B. No. 1063

The purpose and intent of this measure is to authorize and appropriate funds for an additional emergency medical services unit to serve the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas.

Your Committee received written comments in support of this measure from the Department of Health.

Your Committee finds that Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village on the island of Oahu are densely populated areas that are significant distances from each of the two nearest hospitals, Kuakini Hospital in Liliha and Pali Momi Hospital in Aiea. Persons calling for medical service often face long response times, and this problem may worsen without additional emergency medical services.

Accordingly, your Committee finds that an additional emergency medical services unit is needed to provide acceptable levels of services to the Moanalua, Aliamanu, Red Hill, Salt Lake, and Foster Village areas.

Your Committee notes that if sufficient moneys are available in the emergency medical services special fund to fund the purpose of this measure, those moneys should be utilized prior to the expenditure of moneys appropriated by this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2060, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1063, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1063, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1476 Ways and Means on H.B. No. 481

The purpose and intent of this measure is to appropriate moneys for an advanced life support ambulance to be used in the Makalei area on the island of Hawaii during daily peak hours from 8:00 a.m. to 10:00 p.m., including moneys to acquire a vehicle and equipment and fund personnel costs for state-certified emergency medical service personnel.

Your Committee received written comments in support of this measure from the Department of Health, The Daniel Sayre Memorial Foundation, and one individual.

Your Committee finds that the Makalei area has experienced a significant increase in population, and this has corresponded to a notable increase in calls for emergency medical services to that area. Access to primary health care in Makalei is challenging for the community because many residents are up to thirty miles away from the nearest primary care services. Your Committee further finds that Makalei residents would benefit from the addition of an advanced life support ambulance to supplement the Hawaii county emergency medical services system. Your Committee believes that a new advanced life support ambulance would provide badly needed access to emergency medical services to the Makalei area, thus improving medical care and reducing deaths and disabilities among the residents of this remote community.

Your Committee notes that if sufficient moneys are available in the emergency medical services special fund to fund the purposes of this measure, those moneys should be utilized prior to the expenditure of moneys appropriated by this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2060, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 481, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 481, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1477 Ways and Means on H.B. No. 464

The purpose and intent of this measure is to appropriate moneys to the Department of Health for the purchase of an ambulance vehicle and the operational costs for one ambulance unit to serve the area of Kakaako in the City and County of Honolulu.

Your Committee received written comments in support of this measure from one individual. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that the population of the Kakaako area in the City and County of Honolulu has increased dramatically. Similarly, there has been a steady and noticeable increase in calls for emergency medical services in Kakaako. Your Committee further finds that in addition to the purchase of an ambulance vehicle, this appropriation will support operational costs for one ambulance unit, including equipment, supplies, and personnel costs for state-certified emergency medical service personnel.

Your Committee notes that if sufficient moneys are available in the emergency medical services special fund to fund the purpose of this measure, those moneys should be utilized prior to the expenditure of moneys appropriated by this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2060, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 464, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 464, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1478 Ways and Means on H.B. No. 277

The purpose and intent of this measure is to provide increased infrastructure to support affordable housing development.

Specifically, the measure authorizes the:

- (1) Hawaii Housing Finance and Development Corporation, upon request by a county, to issue and sell revenue bonds to provide funding for infrastructure development in that county; and
- (2) Counties to use community facilities districts as a method for repayment of revenue bonds issued by the Hawaii Housing Finance and Development Corporation.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, Land Use Research Foundation of Hawaii, and Building Industry Association of Hawaii.

Your Committee finds that the lack of available land with infrastructure is a significant barrier to the development of affordable housing statewide. Your Committee believes that, by authorizing the counties to use community facilities districts as a method for repayment of revenue bonds issued by the Hawaii Housing Finance and Development Corporation, this measure provides a potential financing mechanism for infrastructure necessary to support affordable housing development.

Your Committee has amended this measure by changing the effective date to July 1, 2060, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 277, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 277, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1479 Ways and Means on H.B. No. 158

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid to the Department of the Prosecuting Attorney of the County of Maui for the prosecution of cases under the Drug Court and Mental Health Court programs.

Your Committee received written comments in support of this measure from the County of Maui Department of the Prosecuting Attorney, County of Kauai Department of the Prosecuting Attorney, County of Hawaii Department of the Prosecuting Attorney, and City and County of Honolulu Department of the Prosecuting Attorney.

Your Committee finds that the Drug Court program is an efficient use of state resources and decreases criminal activity in the State's communities. Your Committee also finds that the Mental Health Court program plays a key role in ensuring that offenders receive appropriate treatment and proper sentencing. Your Committee further finds that the funding is essential for Maui prosecutors and will ensure that the Drug Court and Mental Health Court programs continue to make a positive impact on the citizens of Maui.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 158, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 158, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1480 Ways and Means on H.B. No. 206

The purpose and intent of this measure is to require that all publicly-funded landscaping projects include a minimum percentage of Hawaiian plants, which will contribute to a Hawaiian sense of place, reduce the use of non-native plant species, and support the preservation of Hawaii's cultural and ecological heritage.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Land Use Research Foundation of Hawaii, Nature Conservatory, Conservation Council for Hawaii, Aha Moku Advisory Committee, Association of Hawaiian Civic Clubs, Ewa Puuloa Hawaiian Civic Club, Hawaii Green Growth, Kalihi Palama Hawaiian Civic Club, King Kamehameha HCC, and seven individuals. Your Committee received written comments on this measure from the Department of Land and Natural Resources and the State Procurement Office.

Your Committee finds that the use of Hawaiian plants in landscaping is fundamental to preserving and fostering a Hawaiian sense of place. Your Committee believes that there has been a relatively recent influx of non-native plant species and invasive species that has displaced and endangered Hawaii's native plants in the State. State landscaping projects should embody the cultural and ecological heritage of the place in which the landscaping is located. Your Committee further finds that utilizing and propagating Hawaiian plants is important to biodiversity, ecological stability, and a cultural sense of place.

This measure defines "Hawaiian plants" as "any plant species, including land, freshwater, and marine plant species, growing or living in Hawaii without having been brought to Hawaii by humans; or any plant species, including land, freshwater, and marine plant species, brought to Hawaii by Polynesians before European contact, such as kukui, kalo, wauke, niu, noni, and kamani." Your Committee notes that the Department of Land and Natural Resources submitted written comments explaining a distinction between endemic and indigenous plant species. A species is considered to be native to a region if it arrived in that place by natural processes without the aid of humans. Native species may be either endemic, meaning the species was found only within a particular region, or indigenous, meaning that the species is found in the region and elsewhere. The Department notes that the current definition of "Hawaiian plants" in the measure may lead to confusion because the definition lumps together native Hawaiian plants and Polynesian introductions, which are two separate categories of species, each with their own unique significance, importance, and considerations. Your Committee acknowledges that, as this measure moves forward, further discussion will be necessary to clarify the terms used in the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 206, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1481 Ways and Means on H.B. No. 213

The purpose and intent of this measure is to require that jurors and prospective jurors be paid bus fare or a mileage fee for travel to and from court, whichever is higher.

Your Committee finds that jury duty is an essential component of a fair and impartial judicial system. Current law only requires jurors and prospective jurors to be paid for mileage traveled to and from court. Your Committee believes that requiring jurors and prospective jurors to be paid bus fare, if higher than the mileage fee, will provide equal treatment to those who cannot drive to court and ensure that jurors are drawn from all parts of the community. Additionally, providing for payment to jurors and prospective jurors for bus fare, rather than the mileage fee, will encourage more people to use public transportation, thereby reducing traffic congestion and fossil fuel emissions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 213, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1482 Ways and Means on H.B. No. 515

The purpose and intent of this measure is to clarify restrictions on the disposition of parcels of public land as remnants.

Specifically, the measure prohibits the disposition of public land as a remnant if the Board of Land and Natural Resources finds that the land contains:

- (1) Natural or cultural resources necessary for the exercise of native Hawaiian subsistence, cultural, or religious practices;
- (2) Natural resources that should be protected or conserved; or
- (3) Public access to public lands.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs and the Aha Moku Advisory Committee. The Department of Land and Natural Resources provided written comments on the measure.

Your Committee finds that, under current law, the disposition of a parcel of land determined to be a remnant is not subject to the same requirements as the disposition of other public lands. Your Committee believes that this measure will help ensure that any disposition of a remnant complies with the State's constitutional mandate under the public lands trust.

Your Committee has amended this measure by:

- (1) Deleting the purpose section of the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 515, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 515, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1483 Ways and Means on H.B. No. 676

The purpose and intent of this measure is to change the composition of public employer representatives for negotiations of collective bargaining agreements regarding collective bargaining unit (9), registered professional nurses.

Specifically, this measure establishes that the Governor shall have three votes, the Hawaii Health Systems Corporation Board shall have two votes, and the Chief Justice shall have one vote in the negotiation of collective bargaining agreements for collective bargaining unit (9).

Your Committee received written comments in support of this measure from the Hawaii Health Systems Corporation and the East Hawaii Region of Hawaii Health Systems Corporation. Your Committee received written comments on this measure from the Office of Collective Bargaining.

Your Committee finds that the vast majority of the employees within collective bargaining unit (9) are registered professional nurses employed by the Hawaii Health Systems Corporation. Under existing law, the Hawaii Health Systems Corporation is authorized to cast one out of the total twelve votes in negotiations of collective bargaining agreements for this collective bargaining unit. The other eleven votes are comprised of six votes by the governor, one vote by each of the four county mayors, and one vote by the Chief Justice. This measure reduces the total number of votes available to the public employer for collective bargaining unit (9) to six votes, by eliminating the votes of the county mayors and providing the Governor with three votes, the Chief Justice with one vote, and the Hawaii Health Systems Corporation with two votes. Effectively, this measure increases the voting power of the Hawaii Health Systems Corporation fourfold by increasing its votes from one out of twelve to two out of six.

Your Committee notes the concerns expressed by the Office of Collective Bargaining (Office) over the elimination of the mayors' voting status as a public employer in this measure. The Office indicated that, while no county currently has any employees in bargaining unit (9), should any county decide to reestablish or establish positions applicable to that bargaining unit, this measure would deny each county the right to vote on the provisions of those employees' future collective bargaining agreements, while preserving the voting status of the Governor, the Hawaii Health Systems Corporation, and the Chief Justice as public employers.

Your Committee has amended this measure by changing the effective date to February 5, 2060, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 676, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 676, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 1484 Commerce and Consumer Protection on H.B. No. 940

The purpose and intent of this measure is to prohibit the use of electronic smoking devices in places where smoking is already prohibited.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i Student Health Advisory Council, American Cancer Society Action Network, Coalition for a Tobacco-Free Hawai'i, American Heart Association, Hawai'i Public Health Association, and fifty-six individuals. Your Committee received testimony in opposition to this measure from forty-three individuals.

Your Committee finds that electronic smoking devices have become increasingly prevalent and widely available since their introduction into the United States market. However, since electronic smoking devices are a relatively new product, their health effects have yet to be thoroughly researched. Serious questions also remain about the safety of inhaling substances in an electronic smoking device. Your Committee further finds that electronic smoking devices produce an aerosol that is not merely water vapor. According to testimony received by your Committee, studies have found that the aerosol produced by electronic smoking devices may contain carcinogens, such as formaldehyde, acetaldehyde, lead, nickel, chromium, and other hazardous substances cited by the Agency for Toxic Substances and Disease Registry, which are associated with a wide range of negative health effects.

Your Committee additionally finds that the use of electronic smoking devices in traditionally smoke-free areas causes confusion in the enforcement of smoke-free laws, creates distractions in work environments, and renormalizes smoking behavior. This measure prohibits the use of electronic smoking devices in enclosed or partially enclosed places where smoking is prohibited, which will reduce the likelihood of nonuser exposure to potentially harmful chemicals in electronic smoking devices and help ensure compliance with existing smoking regulations.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 940, H.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Taniguchi).

SCRep. 1485 (Joint) Commerce and Consumer Protection and Ways and Means on H.B. No. 252

The purpose and intent of this measure is to:

- (1) Establish requirements for a pharmacy benefit manager that reimburses a contracting pharmacy for a drug on a maximum allowable cost basis; and

- (2) Require pharmacy benefit managers to have a clearly defined process for a contracting pharmacy to appeal the maximum allowable cost for a drug on a maximum allowable cost list and establish requirements for that process.

Your Committees received testimony in support of this measure from the Hawaii Community Pharmacy Association, Times Pharmacy, and two individuals. Your Committees received comments on this measure from CVS Health.

Your Committees find that the majority of prescriptions dispensed by a pharmacy are generic drugs, which are reimbursed using schedules known as maximum allowable cost. Maximum allowable cost is a common cost management tool that specifies the reimbursement limit for a particular strength and dosage of generic prescription drugs. Your Committees further find that there currently is no formal process for maximum allowable cost appeals. Accordingly, this measure establishes requirements for pharmacy benefit managers that reimburse pharmacies for prescription drugs on a maximum allowable cost basis and sets parameters for pharmacy benefit managers and pharmacies to establish standards for a maximum allowable cost appeals process.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 252, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 252, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Commerce and Consumer Protection

Ayes, 4. Noes, none. Excused, 3 (Kidani, Nishihara, Wakai).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1486 Ways and Means on H.B. No. 1069

The purpose and intent of this measure is to expand the Hawaii Small Business Innovation Research Program and to promote manufacturing in Hawaii.

More specifically, this measure:

- (1) Authorizes the High Technology Development Corporation to provide matching grants to businesses in Hawaii that receive a phase II or III award or contract under the federal Small Business Innovation Research Program;
- (2) Appropriates an unspecified amount of funds to the Department of Business, Economic Development, and Tourism for the purpose of providing grants and loans for phase II and III awards;
- (3) Establishes the Hawaii Manufacturing Capital Grant Program to provide grants to manufacturers for expenses relating to equipment, planning for new facilities, and training programs; and
- (4) Appropriates \$2,000,000 to the High Technology Development Corporation for the Hawaii Manufacturing Capital Grant Program.

Your Committee received written comments in support of this measure from the High Technology Development Corporation; The Chamber of Commerce of Hawaii; Hawaii Aquaculture and Aquaponics Association; Hawaii Evolutionary Development, LLC; Hawaii Fish Company Inc.; K Yamada Distributors; Makai Ocean Engineering, Inc.; Meadow Gold Dairies; and Oceanit.

Your Committee finds that the federal Small Business Innovation Research Program is a competitive program that helps small businesses grow and succeed by awarding moneys for research and development. Your Committee also finds that only recipients of the federal program's phase I awards are currently able to receive matching funds from the Hawaii Small Business Innovation Research Program. Your Committee believes that expanding the Hawaii Small Business Innovation Research Program to allow businesses that receive a phase II or III federal award to qualify for matching state grants will enable small businesses in the State to develop and commercialize their intellectual property.

Your Committee further finds that there is a great need for Hawaii to develop and support manufacturing in the State. The lack of available resources and the overuse of obsolete equipment have had a detrimental effect on the market competitiveness of Hawaii businesses. Your Committee believes that it is incumbent upon the State to ease the financial burdens facing particular businesses and to ensure the long-term financial and economic sustainability of the State.

Your Committee has amended this measure by:

- (1) Requiring the High Technology Development Corporation to analyze each application received under the Hawaii Manufacturing Capital Grant Program to determine whether its intended use will be economically viable and beneficial to the State;
- (2) Changing the appropriation for the Hawaii Manufacturing Capital Grant Program to an unspecified amount;
- (3) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1069, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1069, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1487 (Majority) Ways and Means on H.B. No. 1432

The purpose and intent of this measure is to provide moneys for state-funded financial assistance payments and for programs that support and assist recipients to qualify for supplemental security income.

Specifically, the measure:

- (1) Establishes the interim assistance reimbursement special fund, into which will be deposited reimbursements received from the United States Social Security Administration on behalf of recipients who have been retroactively approved for supplemental security income after receiving state-funded interim assistance payments;
- (2) Appropriates moneys from the general fund to the special fund; and
- (3) Appropriates moneys out of the special fund for purposes of the measure.

Your Committee received written comments in support of this measure from the Department of Human Services; the Hawaii Appleseed Center for Law and Economic Justice; and Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled.

Your Committee finds that, due to the average length of time for an initial supplemental security income determination, the Department of Human Services often does not receive the federal interim assistance reimbursement in the same fiscal year in which the state-funded benefits were paid. Your Committee further finds that the Department of Human Services is not allowed to retain interim assistance reimbursements received for a prior fiscal year and, instead, is required to deposit these reimbursements into the general fund. Your Committee believes that, by establishing the interim assistance reimbursement special fund, this measure will help obviate the Department of Human Services' need to reduce or terminate monthly allotments and will help prevent future requests by the Department for emergency appropriations.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee notes that, as this measure moves into Conference, consideration should be given as to whether other potential alternatives are available to separate out the interim assistance reimbursements from the general fund, without creating a special fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1432, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1432, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 1488 (Majority) Ways and Means on H.B. No. 391

The purpose and intent of this measure is to provide flexibility in overtime compensation rates paid to certain workers on public works projects.

Specifically, this measure establishes that:

- (1) The overtime compensation rate for laborers and mechanics on public works projects shall be set at rates established by a collective bargaining agreement, if applicable; and
- (2) When a collective bargaining agreement establishes the basic hourly rate of pay, the rate of overtime compensation and any other premium rates of pay shall be the rates specified in the collective bargaining agreement.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and the Hawaii Construction Alliance. Your Committee received written comments in opposition to this measure from the Hawaii Chamber of Commerce, General Contractors Association of Hawaii, Hawaii Island Contractors' Association, and Loeffler Construction, Inc.

Your Committee finds that collective bargaining agreements for laborers and mechanics on public works projects specify overtime rates that may be greater than one and one-half times the basic hourly rate established by law. This measure will provide flexibility regarding payment of overtime wages at a higher ratio than time-and-a-half and will help to ensure that workers receive properly negotiated wages when working on public works projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 391, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, 1 (Riviere). Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1489 Ways and Means on H.B. No. 1292

The purpose and intent of this measure is to convene a procurement task force to examine procurement process cost impacts on public works construction projects and recommend contractor past performance standards and statewide contracting processes.

Your Committee received written comments in support of this measure from the State Procurement Office, Catholic Charities Hawaii, Child & Family Service, the General Contractors Association of Hawaii, Goodwill Industries Hawaii, the Hawaii Procurement Institute, Lanakila Pacific, and Partners in Development. The Hawaii Building and Construction Trades Council, AFL-CIO, submitted written comments on the measure.

Your Committee finds that continuing the work of the procurement task force that was created pursuant to Senate Concurrent Resolution No. 92, S.D. 2 (2013) will take advantage of the experience and work undertaken by the task force thus far and will leverage opportunities to promote economy, efficiency, effectiveness, and impartiality in the procurement of public works contracts.

Your Committee has amended this measure by:

- (1) Deleting a provision that requires the Department of Accounting and General Services to convene a new procurement task force;
- (2) Providing instead that the Comptroller shall continue to convene the procurement task force created pursuant to Senate Concurrent Resolution No. 92, S.D. 2 (2013); and
- (3) Deleting a provision exempting task force members from the Code of Ethics, chapter 84, Hawaii Revised Statutes (HRS), since similar exemptions have already been provided by Act 208, Session Laws of Hawaii 2012, and codified in chapter 84, HRS.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1292, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1292, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1490 Ways and Means on H.B. No. 444

The purpose and intent of this measure is to promote beach restoration and conservation.

More specifically, this measure:

- (1) Allocates transient accommodations tax revenues to the special land and development fund and the beach restoration and conservation special fund to finance restoration and conservation activities;
- (2) Enables the effective development and implementation of plans to slow the degradation of Hawaii's beaches; and
- (3) Encourages the restoration of beaches through the coordination of activities involving the counties and the formation of public-private partnerships.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Hawaii Tourism Authority, Hawaii Shore and Beach Preservation Association, and The Nature Conservancy. Your Committee received written comments on this measure from the Department of Budget and Finance, State-County Functions Working Group, and Tax Foundation of Hawaii.

Your Committee finds that Hawaii's beaches are an important and valuable natural resource that are utilized by residents and tourists for recreational and cultural activities. Recent studies conducted by researchers at the University of Hawaii and the United States Geological Survey reveal that Hawaii's beaches have become increasingly threatened by erosion, with seventy percent of beaches undergoing chronic erosion and over thirteen miles of beaches having been completely lost over the past century. Your Committee believes that this measure addresses the need to develop more efficient methods of conserving and restoring the beaches of the State.

Your Committee has amended this measure by:

- (1) Deleting the requirement that transient accommodations tax revenues be allocated to the beach restoration and conservation special fund;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 444, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 444, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 1491 Ways and Means on H.B. No. 1509

The purpose and intent of this measure is to assist the University of Hawaii in implementing renewable energy-generating and energy efficiency projects.

Specifically, this measure:

- (1) Establishes the net-zero goal for the University of Hawaii to produce as much energy as it consumes, across all campuses, by January 1, 2035;
- (2) Establishes the University of Hawaii net-zero special fund for capital improvement projects that advance the net-zero goal;
- (3) Requires the University of Hawaii to submit an annual report on the debt service for capital improvement projects funded by the University of Hawaii net-zero special fund, the current value of energy saved, the status of pending projects, recommendations for future projects, and overall progress toward the net-zero goal; and

- (4) Appropriates funds for capital improvement and energy efficiency projects in furtherance of the net-zero goal.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Democratic Party of Hawaii; and two individuals. Your Committee received written comments in opposition to this measure from two individuals. Your Committee received written comments from the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that the University of Hawaii is one of the State's largest consumers of energy. This measure will help the University to fund investments in energy saving measures, green energy production, and energy efficient buildings. Your Committee believes that these measures will ultimately result in cost savings that can be shared with students, faculty, and taxpayers.

Your Committee has amended this measure by:

- (1) Amending the purpose section to include a declaration that this measure is a law of statewide concern;
- (2) Removing language establishing the University of Hawaii net-zero special fund;
- (3) Changing where general obligation bond revenues will be deposited, and the source of funding in the appropriations for the University of Hawaii capital improvement projects, from the deleted net-zero special fund to a subaccount of the green infrastructure special fund; and
- (4) Changing the deadline for the University of Hawaii to submit the annual report to the Legislature to twenty days before the convening of each Regular Session to conform with the deadlines of other required reports.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1509, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1509, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1492 Ways and Means on H.B. No. 1349

The purpose and intent of this measure is to align the probationary period for licensed charter school teachers who are not tenured in the Department of Education with the probationary period for other licensed, not tenured, teachers in the Department of Education.

Your Committee received written comments in support of this measure from the Department of Education and the Hawaii State Teachers Association. The State Public Charter School Commission submitted written comments on the measure.

Your Committee finds that current law provides a shorter probationary period for licensed charter school teachers compared to the probationary period for Department of Education teachers. Specifically, licensed charter school teachers who enter into or return to employment with the Department of Education receive tenure after working one full school year on probation at a charter school and two semesters on probation in the Department of Education, while the Department of Education's probationary period for teachers is a minimum of three years. Your Committee believes holding charter school teachers to the same tenure requirements as teachers in Department of Education schools promotes fairness and equality.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1349, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 1493 Ways and Means on H.B. No. 716

The purpose and intent of this measure is to promote economic development.

More specifically, this measure:

- (1) Establishes an innovative business interaction program under the Department of Business, Economic Development and Tourism to increase the opportunity for interaction between business investors and business talent from out-of-state and in-state; and
- (2) Increases the transient accommodations tax revenues deposited into the tourism special fund to provide funds for the innovative business interaction program.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development and Tourism and Hawaii Strategic Development Corporation. Your Committee received written comments on this measure from the State-County Functions Working Group and Tax Foundation of Hawaii.

Your Committee finds that business growth is an important component to economic development. Business growth is facilitated by establishing relationships between investors and innovative talent. These important relationships are established and fostered when there are opportunities for capital and talent to interact. Your Committee further finds that enabling the State to contract with an organizer of an annual event in Hawaii to add a component that encourages the interaction of business investors and talent will advance economic development.

Your Committee has amended this measure by:

- (1) Changing the specific amount of revenue to be expended by the Department of Business, Economic Development, and Tourism for the innovative business interaction program to an unspecified sum;

- (2) Changing the total transient accommodations tax revenue allocation to the tourism special fund to an unspecified sum;
- (3) Changing the specific amount of transient accommodations tax revenues to be allocated from the tourism special fund to the innovative business interaction program to an unspecified sum; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 716, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 716, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 1494 Ways and Means on H.B. No. 831

The purpose and intent of this measure is to clarify the laws relating to public charter school closures.

Specifically, the measure:

- (1) Specifies that financial insolvency is deemed a surrender of the charter school's charter;
- (2) Requires the charter school authorizer to develop a public charter school closure protocol for financially insolvent charter schools; and
- (3) Requires the authorizer to determine whether health and safety issues require the charter school's closure.

Your Committee received written comments in support of this measure from the State Public Charter School Commission and the Hawaii State Teachers Association.

Your Committee finds that this measure was developed by the State Public Charter School Commission and addresses current educational needs by ensuring that students and teachers are provided a learning environment that is free from the stress of financial issues.

Your Committee has amended this measure by adopting the amendments proposed by the State Public Charter School Commission, which:

- (1) Streamline the new language pertaining to closure protocols to avoid misinterpretations that the authorizer has unilateral discretion when deciding upon the closure of insolvent schools; and
- (2) Delete the new language on school closure and closure protocols based upon health and safety issues, which are redundant of section 302D-17(e) and other provisions of chapter 302D, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 831, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 831, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Ruderman).

SCRep. 1495 Ways and Means on H.B. No. 871

The purpose and intent of this measure is to improve Hawaii's biosecurity.

Specifically, this measure:

- (1) Formally establishes, in statute, a biosecurity program under the Department of Agriculture generally, rather than under the Plant Quarantine Branch of the Department;
- (2) Reaffirms the Legislature's finding that the implementation of the biosecurity program is vital to the State;
- (3) Authorizes the Department of Agriculture to establish or participate in private-public partnerships to enhance the biosecurity program and quarantine inspection process; and
- (4) Appropriates moneys for fiscal year 2016-2017 for certain projects under the biosecurity program.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Department of Agriculture, the Hawaii Farm Bureau, and the Coordinating Group on Alien Pest Species. Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that the unchecked spread of invasive species is one of the greatest threats to Hawaii's economy, natural environment, and the health and lifestyle of Hawaii's people. Your Committee further finds that the Department of Agriculture's biosecurity program is vital to the public's health and welfare and that the Department must fully execute its comprehensive strategy to control and prevent increasing invasive species threats from entering and spreading throughout the State. Your Committee believes that, by formally establishing a biosecurity program, this measure will help the Department of Agriculture mitigate and manage invasive species in the State.

Your Committee has amended this measure by amending the appropriation section to appropriate moneys for fiscal biennium 2015-2017, rather than for just fiscal year 2016-2017, for the Department of Agriculture's biosecurity program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 871, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 871, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1496 Ways and Means on H.B. No. 1394

The purpose and intent of this measure is to address sustainable access to fresh water.

More specifically, the measure requires the Department of Transportation to:

- (1) Conduct a feasibility study on the use of water scalping technology in state facilities; and
- (2) Submit to the Legislature a report of its findings and recommendations no later than November 30, 2016.

Your Committee received written comments in support of this measure from the Department of Transportation and one individual. The Department of Land and Natural Resources submitted written comments on the measure.

Your Committee finds that, as an island state, Hawaii's inherent limited access to fresh water will be further exacerbated by population growth and a commensurate increase in development. Opportunities to beneficially reuse and conserve water resources should be explored to help ensure the State has an adequate supply of usable fresh water. Water scalping is a technology that extracts usable water from wastewater for treatment and reuse in various applications, depending on treatment level and water quality. Your Committee believes that water scalping should be evaluated for its potential to create more efficient water use and reuse in state facilities.

Your Committee has amended this measure by changing the effective date to July 1, 2053, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1394, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1394, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1497 Ways and Means on H.B. No. 1360

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to relocate the Clear Channel, now known as iHeartMedia, broadcast antenna, including design, construction, equipment, appurtenances, and ground and site improvements.

Your Committee received written comments in support of this measure from one individual. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that relocating the Clear Channel, now known as iHeartMedia, broadcast antenna would address aircraft safety concerns by the Federal Aviation Administration. Specifically, the removal and relocation of the antenna will provide a safe flight plan in the case of a "one engine inoperable" scenario. Your Committee also finds that relocating this antenna would result in additional cargo capacity and operational efficiencies at Honolulu Harbor by allowing for increased harbor traffic as a result of limiting obstructions to flight paths. Your Committee further finds that the removal and relocation of the broadcast antenna is in the best interest of public safety.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1360, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Dela Cruz, English, Galuteria).

SCRep. 1498 (Majority) Ways and Means on H.B. No. 820

The purpose and intent of this measure is to establish the Executive Office on Early Learning Pre-kindergarten Program to provide high-quality early childhood education to the State's children.

The measure also gives priority to:

- (1) At-risk children; and
- (2) Underserved children who are not qualified to attend other early childhood education programs and whose family income is no more than two hundred fifty percent of the federal poverty level.

Your Committee received written comments in support of this measure from the Hawaii Teacher Standards Board, State Public Charter School Commission, Aha Punana Leo, Aloha United Way, Americans for Democratic Action Hawaii, Chamber of Commerce of Hawaii, Democratic Party of Hawaii, Good Beginnings Alliance, Hawaii State Teachers Association, HEE Coalition, PHOCUSED, and two individuals. The Department of Education submitted written comments on the measure.

Your Committee finds that early childhood education prepares children for success in school and in life, but that many of the State's families cannot afford to send their children to costly early childhood education programs.

Your Committee further finds that this measure will help more of the State's children prepare for a lifetime of learning and develop key social, cognitive, emotional, and physical skills by making early childhood education more accessible to children who would not otherwise have the opportunity to participate.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 820, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 1499 (Majority) Ways and Means on H.B. No. 578

The purpose and intent of this measure is to improve student health.

More specifically, the measure:

- (1) Requires a child to provide written documentation of a physical examination performed within the twelve months prior to attending seventh grade;
- (2) Provides for provisional attendance if a physical examination is scheduled; and
- (3) Makes an appropriation for implementation of this measure.

Your Committee received written comments in support of this measure from the Department of Health, American Academy of Pediatrics-Hawaii Chapter, University of Hawaii at Manoa John A. Burns School of Medicine, Hawaii State Teachers Association, Hawaii Public Health Institute, and one individual.

Your Committee finds that students are only required to undergo a physical examination prior to entering kindergarten or first entering the public school system. Your Committee believes that many other states and private schools have additional physical examination requirements that allow for immunization updates, wellness screenings, and health counseling. Your Committee further finds that this measure will improve student health because it will promote doctor visits for children, many of whom only visit a doctor for emergencies or acute illnesses.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 578, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 1500 (Majority) Ways and Means on H.B. No. 576

The purpose and intent of this measure is to develop a health care reform plan for Hawaii that meets the requirements to obtain a state innovation waiver that complies with the federal Patient Protection and Affordable Care Act.

Specifically, this measure:

- (1) Narrows the scope of work of the State Innovation Waiver Task Force, established pursuant to Act 158, Session Laws of Hawaii 2014, in developing a plan to apply for a state innovation waiver that meets the requirements of section 1332 of the Patient Protection and Affordable Care Act; and
- (2) Appropriates funds for expenses related to developing the waiver.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs - Insurance Division, Department of Commerce and Consumer Affairs, Department of Human Services, The Chamber of Commerce Hawaii, Hawaii Association of Health Plans, Hawaii Primary Care Association, Healthcare Association of Hawaii, Hawaii Medical Service Association, and The Queen's Health Systems.

Your Committee finds that Hawaii leads the nation in the lowest number of residents without health insurance due to the Hawaii Prepaid Health Care Act. Your Committee further finds that the federal Patient Protection and Affordable Care Act includes state innovation waiver initiatives that allow states to implement specialized health care reforms that may vary from the federal Act but which offer equally comprehensive coverage and quality of care for their residents.

Act 158, Session Laws of Hawaii 2014, created the State Innovation Waiver Task Force and directed it to examine alternative approaches and options to certain health insurance reform provisions of the federal Patient Protection and Affordable Care Act. Act 158 also directed the task force to develop a plan for applying for a state innovation waiver. Your Committee believes that this measure will focus the efforts of the task force solely on developing an application for a state innovation waiver that complies with the federal Patient Protection and Affordable Care Act, while preserving the uniquely effective features of Hawaii's health insurance market.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 576, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 1501 Ways and Means on H.B. No. 547

The purpose and intent of this measure is to ensure that University of Hawaii students receive guidance toward graduation.

More specifically, the measure:

- (1) Adds a new section to chapter 304A, subpart A of part I, requiring the University of Hawaii to explore administrative measures to provide guidance to students to increase the rate of on-time graduation, and to include specific elements if a graduation pathway system is developed;
- (2) Requires the University of Hawaii to submit a report to the Legislature if the University elects to develop a graduation pathway system; and
- (3) Makes appropriations to establish the pathway system and fund full-time equivalent positions.

Your Committee received written comments in support of this measure from one individual. The University of Hawaii submitted written comments on the measure.

For purposes of a public hearing, your Committee circulated a proposed Senate Draft 2 of this measure and informed the public that your Committee would accept testimony on the proposed draft. The proposed draft adds an appropriation for renovations, repairs, and improvements to the John A. Burns School of Medicine through the reauthorization of revenue bond proceeds that are about to lapse.

Your Committee received comments on the proposed Senate Draft 2 of this measure from the University of Hawaii.

Your Committee has amended this measure by:

- (1) Adopting the proposed Senate Draft 2 of the measure;
- (2) Clarifying that the appropriation added by the proposed Senate Draft 2 of this measure shall be from the university revenue-undertakings fund; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 547, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 547, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1502 Ways and Means on H.B. No. 278

The purpose and intent of this measure is to encourage the development of affordable housing in the State.

Specifically, the measure authorizes the Hawaii Housing Finance and Development Corporation, upon request by a county, to establish and operate a county affordable housing subaccount within the dwelling unit revolving fund for the benefit of the county.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation and the Land Use Research Foundation of Hawaii.

Your Committee finds that this measure, in conjunction with authorizing a county affordable housing subaccount within the dwelling unit revolving fund, requires that the county provide matching contributions and that the subaccount be leveraged with private loans, contributions, and moneys from other sources. Accordingly, your Committee believes that county affordable housing subaccounts will allow the moneys in the dwelling unit revolving fund to be leveraged with county and private funds for the development of affordable housing.

Your Committee has amended this measure by:

- (1) Making technical nonsubstantive changes for purposes of clarity, consistency, and style; and
- (2) Changing the effective date to July 1, 2060, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 278, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 278, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1503 Ways and Means on H.B. No. 1042

The purpose and intent of this measure is to fully implement Act 183, Session Laws of Hawaii 2005, in accordance with the State's constitutional duty to protect important agricultural lands, by providing funds to the counties to identify and map important agricultural lands.

Your Committee received written comments in support of this measure from the Department of Agriculture, State Land Use Commission, County of Maui, City and County of Honolulu Department of Planning and Permitting, Hawaii Farm Bureau, Hawaii Crop Improvement Association, Hawaii Association of Realtors, and two individuals.

Your Committee finds that Act 183, Session Laws of Hawaii 2005, codified as part III of chapter 205, Hawaii Revised Statutes, directed each county, within sixty months of receiving state funds for the purpose, to identify and map potential important agricultural lands. Act 183 also directed each county to make recommendations to the State Land Use Commission as to whether the lands should be designated as important agricultural lands. Your Committee further finds that, to date, the counties have not been provided with state funds to assist with their identification and mapping duties. Your Committee believes that the moneys appropriated by this measure will allow Act 183 to be fully implemented.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1042, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1504 Ways and Means on H.B. No. 966

The purpose and intent of this measure is to restore inadvertently repealed language to section 237-33, Hawaii Revised Statutes, relating to exemptions from the general excise tax, and to provide for the retroactive application of the amended statute.

Your Committee received written comments in support of this measure from the Department of Taxation. Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that Act 184, Session Laws of Hawaii 2012, amended section 237-23, Hawaii Revised Statutes, to add potable water companies to the existing exemption provided to certain non-profit organizations. In the process, the words "as such" were inadvertently deleted from section 237-23. These words have been important to courts' past interpretations of the statute and should be returned to the statute to ensure consistent treatment of non-profit organizations entitled to this exemption. For example, in *In re Queen's Medical Center*, 66 Haw. 318 (1983), the Hawaii Supreme Court held that certain activities of a non-profit hospital were not entitled to the tax exemption, because the activities were not activities of a hospital "as such." In that court case, the presence of the phrase "as such" in the statute was critical to the Court's decision. Accordingly, your Committee finds that the restoration of these words to section 237-23, Hawaii Revised Statutes, would clarify the application of the tax exemption.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 966, H.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 1505 Ways and Means on H.B. No. 894

The purpose and intent of this measure is to provide the Enhanced 911 Board the authority to employ staff.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, the Honolulu Police Department, the County of Hawaii Police Department, and the Enhanced 911 Board.

Your Committee finds that enhanced 911 services allow public safety answering points to identify and locate 911 callers. The Enhanced 911 Board was created in 2004 to collect and expend funds to make public safety answering points capable of providing enhanced 911 services. Your Committee also finds that the Enhanced 911 Board has never had the authority to hire staff. The Enhanced 911 Board has expressed interest in hiring employees to perform the duties of an executive director and basic administrative functions. Your Committee believes that the hiring of staff would enhance the Board's efficiency and effective use of fiscal resources, thereby improving 911 services for the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 894, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1506 Ways and Means on H.B. No. 611

The purpose and intent of this measure is to assist the Department of Land and Natural Resources with historic preservation.

Specifically, this measure appropriates moneys to:

- (1) Implement a data management plan for the digitization of historic preservation records; and
- (2) Establish additional positions within the State Historic Preservation Division to support the data management plan.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Historic Hawaii Foundation, and Society for Hawaiian Archaeology.

Your Committee finds that the United States National Park Service identified management and performance problems within the State Historic Preservation Division of the Department of Land and Natural Resources. Although the State Historic Preservation Division has made great progress in resolving these problems, the Division does not have the moneys necessary to implement the data management plan, which includes digitization of over 3,600,000 pages of documents, as well as the creation of several databases, a geographic information system, and integration of all of these items into a single functioning system. Your Committee further finds that an appropriation to implement a data management plan and hire necessary staff will enable the Department to protect and manage the State's historic places, burial sites, and aviation artifacts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 611, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1507 Ways and Means on H.B. No. 573

The purpose and intent of this measure is to develop and support good agricultural practices by establishing a permanent Hawaii good agricultural practices program for farms growing agricultural food products.

Your Committee received written comments in support of this measure from the Department of Agriculture, University of Hawaii, Land Use Research Foundation of Hawaii, Hawaii Farm Bureau, Ulupono Initiative, and one individual.

Your Committee finds that the Hawaii State Constitution mandates the preservation and protection of agricultural resources. Your Committee also finds that the number of small farms in the State has grown significantly during the last ten years, causing a need for oversight to prevent potential food product contamination on these small farms. Your Committee believes that developing and implementing risk-reducing guidelines and a science-based Hawaii good agricultural practices program to decrease the potential for food product contamination on farms will protect and preserve agricultural resources.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 573, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1508 (Majority) Ways and Means on H.B. No. 586

The purpose and intent of this measure is to prohibit the use of tobacco and electronic smoking devices at Hawaii Health Systems Corporation facilities.

Specifically, this measure requires the Hawaii Health Systems Corporation to:

- (1) Prohibit the use of tobacco products and electronic smoking devices at its health facilities;
- (2) Provide tobacco cessation programs for its employees;
- (3) Consult with the exclusive representatives of the collective bargaining units of its employees regarding the prohibition on the use of tobacco products and electronic smoking devices;
- (4) Educate personnel, contractors, patients, and visitors on the prohibition of the use of tobacco and electronic smoking devices; and
- (5) Place signs stating that "tobacco and electronic smoking device use is prohibited" at various locations throughout its health facilities.

Your Committee received written comments in support of this measure from the Department of Health, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation, Coalition for a Tobacco-Free Hawaii, American Heart Association, Healthcare Association of Hawaii, and one individual. Your Committee received written comments in opposition to this measure from ninety-three individuals.

Your Committee finds that prohibiting the use of tobacco and electronic smoking devices at Hawaii Health Systems Corporation facilities would set an example of promoting positive and healthy practices. Additionally, this measure will help to ensure that patients, employees, and visitors to the Corporation's facilities are protected from the dangers of secondhand smoke.

Your Committee further finds that the tobacco cessation programs required by this measure would be duplicative of those offered by the Hawaii Tobacco Quitline. Since 2005, the Hawaii Tobacco Quitline has helped over twenty-two thousand people stop smoking. On a monthly basis, the Hawaii Tobacco Quitline receives four hundred calls requesting help. Your Committee believes that the Hawaii Health Systems Corporation employees who desire to stop smoking would be adequately served by the Hawaii Tobacco Quitline services that are already available.

Your Committee has amended this measure by deleting the requirement that the Hawaii Health Systems Corporation provide tobacco cessation programs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 586, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 586, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Galuteria, Ruderman).

SCRep. 1509 Ways and Means on H.B. No. 541

The purpose and intent of this measure is to provide increased oversight of the University of Hawaii tuition and fees special fund.

Specifically, this measure:

- (1) Requires each campus of the University of Hawaii to prepare an operations plan to be submitted with estimated quarterly budget requirements and reviewed by the University of Hawaii President and the Vice President for Budget and Finance and Chief Financial Officer;
- (2) Empowers the University's Vice President for Budget and Finance and Chief Financial Officer to review the operations plan and withhold or modify the planned expenditures if the planned expenditures are in excess of actual need or funds will be insufficient to meet authorized expenditure levels; and
- (3) Requires that all moneys in the University of Hawaii tuition and fees special fund for each campus lapse to the credit of budget program identification number UOH900 (University of Hawaii, system wide support) at the end of each fiscal year.

Your Committee received written comments in support of this measure from the University of Hawaii System.

Your Committee finds that preparation and review of an operations plan by each University of Hawaii campus would promote consistency in policy decisions, increase efficient planning, and ensure that appropriations are not exhausted before the end of the fiscal year. This measure will establish fiscal controls that will provide the President and the Vice President for Budget and Finance and Chief Financial Officer with greater control over University of Hawaii operations.

Your Committee notes that section 37-74(d), Hawaii Revised Statutes, requires the University of Hawaii to account for transfers of appropriated funds and positions for the operating cost category among programs, among cost elements in a program, and between quarters, in quarterly reports to the Governor and in annual reports to the Legislature and the Governor.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 541, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 541, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1510 (Majority) Ways and Means on H.B. No. 496

The purpose and intent of this measure is to address family leave for employees.

More specifically, the measure:

- (1) Requires the Office of the Lieutenant Governor and the Department of Labor and Industrial Relations to have an actuarial study conducted and a subsequent report submitted to the Legislature on the cost and impacts of implementing a family leave insurance program that provides an employee with up to twelve weeks of paid family leave per calendar year; and
- (2) Appropriates funds for the conduct of the study.

Your Committee received written comments in support of this measure from Catholic Charities Hawaii, ILWU Local 152, PHOCUSED, and one individual. Written comments in opposition were received from Retail Merchants of Hawaii.

Prior to the hearing on this measure, your Committee circulated a Proposed Senate Draft 2 (Proposed Draft). In addition to retaining the provisions of Senate Draft 1, the Proposed Draft adds a new section to chapter 388, part I, Hawaii Revised Statutes, to require a company with fifty or more service worker employees to allow those employees to:

- (1) Earn and utilize paid sick leave at a rate of at least one hour of paid sick leave for every forty hours worked, up to a maximum of forty hours per calendar year; and
- (2) Carry over up to forty hours of unused earned paid sick leave for the current calendar year to the following calendar year.

The Proposed Draft takes effect on July 1, 2015.

Your Committee received written comments in support from the Hawaii State AFL-CIO and two individuals. Written comments in opposition were received from The Chamber of Commerce of Hawaii and ten individuals. The Department of Labor and Industrial Relations submitted written comments on the measure.

Your Committee finds that Hawaii's working families are not adequately supported during times of caregiving and illness, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to provide care for a newborn, bond with a new child, or care for a family member with a serious health condition.

Your Committee also finds that women are often the primary caregivers of infants, children, and elderly parents. Thus, women are affected disproportionately by the unavailability of paid family and medical leave. Your Committee further finds that paid sick leave does not currently extend to most part-time food service workers.

Your Committee believes that conducting an actuarial study on the impacts of establishing and implementing a family leave insurance program would provide important information to assist the Legislature in designing an effective paid family leave insurance program.

Your Committee also finds that many employees in Hawaii who do not have access to paid sick leave are employed in service industries. Requiring employers with a certain number of service worker employees to allow those employees to earn and utilize paid sick leave would help those employees address health concerns and provide care for family members when necessary.

Your Committee has amended this measure by adopting the Proposed Draft and further amending it by:

- (1) Changing from fifty to an unspecified number the minimum number of service worker employees that would trigger the requirement that the employer allow their service workers to earn and utilize paid sick leave;
- (2) Adding a requirement that the actuarial study ascertain the estimated liability and cost of implementing a family leave insurance program that provides up to twelve weeks of paid family leave per calendar year after any leave available pursuant to the federal Family and Medical Leave Act is exhausted;
- (3) Clarifying that an interim report shall be submitted to the Legislature prior to the 2016 Regular Session and a final report shall be submitted to the Legislature prior to the 2017 Regular Session;
- (4) Changing the effective date to July 1, 2015, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 496, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 496, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Harimoto, Inouye, Riviere). Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1511 Ways and Means on H.B. No. 438

The purpose and intent of this measure is to appropriate moneys to the Kaho'olawe Island Reserve Commission to effectively meet the unique challenges of restoring, preserving, and determining the appropriate uses of the Kaho'olawe Island Reserve for the people of Hawaii.

Your Committee received written comments in support of this measure from the Maui County Mayor, County of Maui Department of Planning, Land Use Research Foundation of Hawaii, Aha Moku Advisory Committee, Kalihi Palama Hawaiian Civic Club, Kaho'olawe Island Reserve Commission, Conservation Council for Hawaii, Protect Kaho'olawe 'Ohana, and thirty-one individuals. Your Committee received written comments on this measure from the Office of the Auditor and one individual.

Your Committee finds that the Kaho'olawe Island Reserve Commission was created to meet the unique challenges of restoring, preserving, and determining the appropriate use of the Kaho'olawe Island Reserve. The Commission is funded primarily by a trust fund created in 1994 with federal money appropriated during the cleanup of unexploded ordnance on the island. However, the trust fund balance is dwindling and will be depleted by 2016. Your Committee believes that without additional funding, the Kaho'olawe Island Reserve Commission will not be able to continue beyond fiscal year 2015.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 438, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 438, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1512 Ways and Means on H.B. No. 318

The purpose and intent of this measure is to exempt the right to place names on public buildings from the bidding requirements and fifteen-year limitations governing public contracts for concessions.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, Stadium Authority.

Your Committee finds that this measure will enable the Stadium Authority to capitalize on long-term sponsorships and naming rights opportunities that will produce significant revenue opportunities at minimal cost and capital outlay.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 318, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1513 Ways and Means on H.B. No. 1167

The purpose and intent of this measure is to amend the capital infrastructure tax credit.

Specifically, this measure:

- (1) Expands the definition of "capital infrastructure costs" to include capital expenditures in addition to those for real property and fixtures;
- (2) Increases the maximum amount of capital infrastructure tax credits that may be issued to a qualified infrastructure tenant in any taxable year from \$1,250,000 to \$2,500,000;
- (3) Requires a qualified infrastructure tenant to expend \$40,000,000 within a taxable year before being eligible for the capital infrastructure tax credit;
- (4) Authorizes any capital infrastructure costs that would result in a tax credit in excess of \$2,500,000 to be applied to generate the tax credit in subsequent tax years;
- (5) Recaptures the tax credit if the qualified infrastructure tenant fails to relocate from the former Kapalama Military Reservation site to another location within an unspecified amount of time following the execution of a lease with the Department of Transportation;
- (6) Prohibits the generation of capital infrastructure tax credits after December 31, 2019; and
- (7) Requires a taxpayer claiming a capital infrastructure tax credit to submit information regarding the tax credit to the Legislature.

Your Committee received written comments in support of this measure from The Chamber of Commerce Hawaii, Navatek, Ltd., Pacific Shipyards International, and forty individuals. Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that this measure will provide a tax credit for capital infrastructure investments made by tenants who are being displaced by the Kapalama Military Reservation harbor improvement project. These tenants will have to make significant investments to relocate their companies and make capital improvements at their new locations. Your Committee further finds that, in addition to assisting these tenants, this measure will benefit maritime commerce in Hawaii by encouraging infrastructure improvements on harbor properties.

Your Committee has amended this measure by changing the effective date to July 1, 2053, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1167, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1167, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1514 Ways and Means on H.B. No. 1282

The purpose and intent of this measure is to appropriate moneys to establish a laser optical communications ground station in the State in partnership with the National Aeronautics and Space Administration.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Cable Television Division of the Department of Commerce and Consumer Affairs; Pacific International Space Center for Exploration Systems; and one individual.

Your Committee finds that the National Aeronautics and Space Administration has begun to develop innovative technology to support laser optical communications to replace radio frequency between spacecraft and Earth. The National Aeronautics and Space Administration's detailed statistical analysis of weather patterns determined that Hawaii is the best location for the first operational laser communications station, which is scheduled to be established in approximately 2020. Your Committee believes that this station will provide multiple opportunities for high-technology jobs in the State and substantial improvements in broadband and optical fiber infrastructure. Your Committee further finds that transmitting data through laser rather than radio frequency aligns with the State's interests in broadband communications technologies.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1282, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1515 Ways and Means on H.B. No. 1332

The purpose and intent of this measure is to appropriate funds to maintain and improve the Peekauai Ditch Irrigation System on the island of Kauai.

Your Committee received written comments in support of the measure from the Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation, and Hawaii Crop Improvement Association.

Your Committee finds that access to a reliable source of water is a critical element for productive farming and ranching, particularly in times of drought. Additionally, a reliable source of water can be the determining factor for a farmer deciding whether to begin new ventures or expand existing operations. Appropriating funds to maintain and improve the Peekauai Ditch Irrigation System on Kauai will encourage the growth of Hawaii's agricultural community and promote food security and self-sufficiency.

Your Committee has amended this measure by:

- (1) Clarifying that the Peekauai Ditch Irrigation System is located on the island of Kauai; and
- (2) Changing the effective date to July 1, 2051, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1332, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1332, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1516 Ways and Means on H.B. No. 1345

The purpose and intent of this measure is to appropriate moneys for the operation, repair, maintenance, and improvement of the East Kauai Water Users' Cooperative irrigation system.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Crop Improvement Association, and one individual.

Your Committee finds that the East Kauai Water Users' Cooperative has operated the East Kauai irrigation system for more than eight years as a voluntary effort. Water is vital to agriculture, and the twenty-one-mile East Kauai irrigation system services more than twelve thousand five hundred acres of agricultural land. Without the Cooperative's efforts, the irrigation system would have been

abandoned, leaving many Kauai farmers without water to grow their crops. Your Committee further finds that ensuring the survival of an efficient and properly maintained irrigation system will help crops continue to flourish on Kauai.

Your Committee has amended this measure by adding fiscal year 2016-2017 to the appropriation authorized by the measure for fiscal year 2015-2016.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1345, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1345, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1517 Ways and Means on H.B. No. 1489

The purpose and intent of this measure is to authorize the issuance of special license plates to observe the importance of Hawaii's two national parks.

Specifically, this measure:

- (1) Authorizes the issuance of a special license plate commemorating Haleakala National Park and Hawaii Volcanoes National Park to be used on a passenger motor vehicle in lieu of the regulation passenger motor vehicle number plate;
- (2) Specifies that the special license plate contain words or an image that recognize the respective national park;
- (3) Requires the special license plate be similar to regulation license plates; and
- (4) Authorizes that additional fees be charged for the special license plates.

Your Committee received written comments in support of this measure from the Mayor of the County of Maui and two individuals.

Your Committee finds that 2016 will mark the centennial anniversary of both Haleakala National Park and Hawaii Volcanoes National Park, which together originally comprised Hawaii National Park, America's fifteenth national park. Authorizing the issuance of special number plates will help to commemorate and recognize Hawaii's two national parks, in addition to providing the two national parks with an additional source of needed revenue.

Your Committee further finds that specialty license plate programs established by other states generate a steady revenue stream for national parks. Most states charge up to an additional \$40 per license plate with a similar annual renewal fee. These additional fees are split between the government department issuing the license plates and the national park or a national park partner non-profit organization.

Your Committee notes concerns have been raised that the measure presently lacks critical elements, including a clear mechanism to charge additional fees for registered owners who choose to use a special number plate, a method to transfer revenue from additional fees to the national parks, and assignment of responsibility to implement the program. Section 249-9.3, Hawaii Revised Statutes, provides for the design and issuance of special number plates by the counties. Accordingly, your Committee has amended this measure to incorporate many of the provisions of that section, by:

- (1) Establishing that the Director of Finance of each county shall issue the special number plates for an additional fee;
- (2) Requiring that the special number plates be issued only to the registered owner of the motor vehicle;
- (3) Requiring the Director of Finance of the City and County of Honolulu, in consultation with the Directors of Finance of the Counties of Kauai, Maui, and Hawaii, the Chiefs of Police of the City and County of Honolulu, and the Counties of Kauai, Maui, and Hawaii, and the Superintendents of Haleakala National Park and Volcanoes National Park, establish the design of the special number plates;
- (4) Authorizing the Director of Finance of the City and County of Honolulu to establish a combined special number plate design commemorating Haleakala National Park and Volcanoes National Park or two special number plate designs separately commemorating the two national parks;
- (5) Establishing design restrictions on the special number plates;
- (6) Authorizing the Director of Finance of each county to determine the most efficient means of directing the revenue generated by the special number plate fees to the respective national park, or its partner non-profit organization, as appropriate;
- (7) Authorizing the Directors of Finance of each county to revoke all special number plates issued to commemorate Hawaii's national parks if the total number of registered vehicles that obtain the special number plates is less than one hundred fifty within three years of issuance of the first special number plate; and
- (8) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

Your Committee believes that operational issues raised by this measure need further examination and requests that the respective subject matter committees consider these concerns as the measure moves into conference.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1489, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1489, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Riviere).

SCRep. 1518 Ways and Means on H.B. No. 1344

The purpose and intent of this measure is to authorize the news media to cover the mitigation of hazardous situations and to access areas that are closed pursuant to the emergency management powers of the Governor or a county mayor.

Additionally, this measure provides personnel and funds to the Hawaii Emergency Management Agency for the agency to implement its emergency management powers.

Your Committee received written comments on this measure from the Department of Defense, Hawaii Emergency Management Agency.

Your Committee finds that making complete and accurate information available to the public is crucial in the mitigation of hazards. However, the media's ability to gather information has been restricted by recent closure of access to hazardous areas pursuant to emergency management powers.

Furthermore, your Committee finds that the Hawaii Emergency Management Agency is restricted from using its federally funded employees to implement section 127A-18, Hawaii Revised Statutes, relating to the mitigation of hazardous situations. Accordingly, the agency requires additional positions and personnel that are state funded to execute its responsibilities under that section of law.

Your Committee has amended this measure by:

- (1) Clarifying that journalists and newscasters may access or enter closed areas to cover the mitigation of hazardous situations;
- (2) Clarifying that the State and county exemption from liability also covers employees of the State or county;
- (3) Specifying that chapter 137, Hawaii Revised Statutes, relating to search and rescue reimbursement, applies to the costs associated with a search or rescue operation to search for or rescue a journalist or newscaster who is covering the mitigation of hazardous situation or who has entered a closed area;
- (4) Subjecting pool writers, pool photographers, and pool videographers to the provisions applicable to journalists and newscasters;
- (5) Defining "journalist" and "newscaster"; and
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1344, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1344, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1519 Ways and Means on H.B. No. 1140

The purpose and intent of this measure is to establish a financial incentive to reduce the number of cesspools in the State.

More specifically, this measure:

- (1) Establishes a temporary income tax credit for the cost of upgrading or converting a cesspool to a septic system or an aerobic treatment unit system, or connecting to a sewer system, up to a maximum amount of \$5,000;
- (2) States findings that priority should be given to cesspool owners who request financial assistance to upgrade, convert, or connect cesspools that affect public drinking water wells or are within two hundred feet of the shoreline, streams, or wetlands; and
- (3) Authorizes the Director of Health to adopt rules under chapter 91, Hawaii Revised Statutes, to implement the tax credit, including rules that prioritize upgrades for cesspool locations with the highest risk of harm to public health and the environment.

Your Committee received written comments in support of this measure from the Department of Health, a member of the Maui County Council, Hawaii Association of Realtors, Hawaii Farm Bureau, The Nature Conservancy, Surfrider Foundation Oahu Chapter, and two individuals. Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that groundwater, drinking water sources, streams, and the ocean are contaminated by cesspool pollution from systems that do not treat wastewater, but merely dispose of it. Your Committee also finds that cesspools in Hawaii release approximately fifty-five million gallons of untreated sewage into the ground each day. Your Committee believes that reducing the number of cesspools in the State is a matter of great importance. Your Committee also believes that cesspools near drinking water wells or within two hundred feet of surface waters present a higher risk of harm to public health and the environment than those farther from water and should be prioritized for upgrade or conversion.

Your Committee has amended this measure by:

- (1) Clarifying the treatment of the tax credit for a partnership, S corporation, estate, or trust;
- (2) Changing the tax credit from a refundable tax credit to a nonrefundable tax credit;
- (3) Increasing the maximum amount of the tax credit from \$5,000 to \$10,000;

- (4) Adding an unspecified aggregate cap amount;
- (5) Specifying that the tax credit is only applicable to the upgrade, conversion, or connection of “qualified cesspools” and that the tax credit shall only be available for the taxable year in which a taxpayer’s qualified expenses are certified by an appropriate government agency;
- (6) Defining “qualified cesspools” as cesspools that are located within:
 - (A) Two hundred feet of a shoreline, perennial stream, or wetland; or
 - (B) A source water assessment program area (two year time of travel from a cesspool to a public drinking water source);
- (7) Requiring the Department of Health to:
 - (A) Certify qualified cesspools;
 - (B) Collect and maintain records of qualified expenses; and
 - (C) Certify to taxpayers the amount of tax credit that they may claim;
- (8) Clarifying that the Department of Health’s rulemaking authority is limited to the implementation of their certification requirements;
- (9) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (10) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1140, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1140, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1520 Ways and Means on H.B. No. 1343

The purpose and intent of this measure is to appropriate moneys for the establishment of a business recovery center within the Department of Defense.

Your Committee received written comments in support of this measure from the Department of Defense.

Your Committee finds that businesses play a vital role in providing resources and information to the public, and following a natural disaster, business recovery is critical to helping entire communities recover. Your Committee believes that the establishment of a business recovery center to facilitate communication between state and county agencies and local businesses following a natural disaster will assist in effective recovery. The business recovery center would consist of an online portal where businesses and government agencies may collaborate and share information, including federal disaster program information, before, during, and after a disaster. Your Committee notes that the Department of Defense was recently awarded \$1,159,000 from the United States Department of Commerce to be used for the establishment of a business recovery center. Your Committee finds that in order to access these funds, the State must provide matching funds of \$328,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1343, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1521 Ways and Means on H.B. No. 142

The purpose and intent of this measure is to promote the development of affordable housing by the Department of Hawaiian Home Lands.

More specifically, the measure:

- (1) Requires each county to recognize housing units developed by the Department of Hawaiian Home Lands for purposes of issuing affordable housing credits;
- (2) Exempts from a one-credit for one-unit requirement, a housing unit that is eligible for additional credits as provided by adopted county ordinances, rules, or memoranda of agreement;
- (3) Requires that twenty-five percent of the revenue from any credits transferred by the Department of Hawaiian Home Lands be used by the Department to develop rental units;
- (4) Requires the Department of Hawaiian Home Lands to enter into a memorandum of agreement with each issuing county to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits in accordance with county affordable housing ordinances or rules;
- (5) Requires that at least fifty percent of all affordable housing credits issued by each county to the Department of Hawaiian Home Lands be subject to a memorandum of agreement between the Department and the issuing county to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits; and
- (6) Makes permanent:

- (A) Act 141, Session Laws of Hawaii 2009, which provides that each county shall issue transferrable affordable housing credits to the Department of Hawaiian Home Lands; and
- (B) Act 98, Session Laws of Hawaii 2012, which further specifies the conditions under which counties shall issue affordable housing credits to the Department of Hawaiian Home Lands.

Your Committee received written comments in support of this measure from the Department of Hawaiian Home Lands. Written comments in opposition were received from the Kauai County Housing Agency.

Your Committee finds that the county affordable housing credit provisions established by Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, have afforded the Department of Hawaiian Home Lands greater opportunities to develop homesteads and meet its mission to return native Hawaiians to the Department's trust lands. By making these provisions permanent, the Department will be able to continue forming public-private partnerships through the exchange of credits, thus creating resources without requiring additional state funds.

Your Committee further finds that the Department of Hawaiian Home Lands has executed a memorandum of agreement with the County of Kauai to establish the terms for the issuance of affordable housing credits and to specifically address that county's concerns related to home rule. The Department is also currently working on a memorandum of agreement with the City and County of Honolulu to achieve the same goal. Because each county applies its affordable housing credits in a manner that fits its particular needs, the Department requires flexibility in creating and executing memoranda of agreement between the Department and the counties for the issuance of credits.

Accordingly, your Committee has amended this measure by:

- (1) Limiting to only the City and County of Honolulu the requirement that at least fifty percent of all affordable housing credits received by the Department of Hawaiian Home Lands be subject to a memorandum of agreement to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits; and
- (2) Permitting, rather than requiring, that the Department of Hawaiian Home Lands enter into a memorandum of agreement with each of the remaining issuing counties to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits;

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 142, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Harimoto, Slom). Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1522 Judiciary and Labor on H.B. No. 858

The purpose and intent of this measure is to:

- (1) Permit the early termination of residential rental agreements in cases of domestic violence; and
- (2) Specify additional procedures under the residential landlord-tenant code for instances of domestic violence.

Your Committee received testimony in support of this measure from the Hawaii Family Law Clinic, dba Ala Kuola; Catholic Charities Hawaii; Parents and Children Together; PHOCUSED; and five individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that housing is a critical issue for domestic violence victims. Inability to exit a rental agreement quickly and without penalties or fees may serve as a barrier that prevents a domestic violence victim from leaving an abusive relationship. Domestic violence victims who break a rental agreement in an effort to exit a dangerous situation may be unable to pay fees or other associated penalties. This can have a negative impact on a victim's credit, which may make it more difficult to secure housing at a later date. Your Committee further finds that this measure enables victims of domestic violence to terminate residential rental agreements and specifies procedures under the residential landlord-tenant code for instances of domestic violence, thereby strengthening protections against domestic violence in the community.

Your Committee has amended this measure by:

- (1) Deleting language that would have allowed a verification in a record signed by the tenant and an attesting third party as one of the documents that must accompany a notice of early termination of tenancy;
- (2) Removing the definition of "domestic violence" under section 521-A, Hawaii Revised Statutes, and inserting it under a new section under part VI of chapter 521, Hawaii Revised Statutes;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 858, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 858, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1523 Judiciary and Labor on H.B. No. 805

The purpose and intent of this measure is to:

- (1) Exempt federal veterans' disability compensation benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment; and
- (2) Clarify that only the portion of a veteran's disability benefits that is not considered to be disability compensation, according to the Department of Veterans Affairs disability compensation benefits rate, is subject to child and spousal support enforcement under title 42 United States Code section 659(h)(1)(A)(ii)(V).

Your Committee received testimony in support of this measure from the Hawaii Chapter of the National Association for Uniformed Services.

Your Committee finds that disabled veterans have sacrificed in the name of duty, honor, and country. The federal benefits that a disabled veteran receives need to be protected from creditors and third parties. Implementation of this measure safeguards veterans' federal disability benefits.

Your Committee has amended this measure by deleting its contents and inserting language from S.B. No. 1159, S.D. 2 (Regular Session of 2015), a substantially similar measure that:

- (1) Exempts federal veterans' disability benefits from claims of creditors and attachment, levy, and seizure to enforce a court judgment, but also encourages the courts to follow federal disability compensation apportionment policy before imposing child and spousal support payments; and
- (2) Becomes effective on January 7, 2059.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 805, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 805, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 1524 Judiciary and Labor on H.B. No. 631

The purpose and intent of this measure is to amend the documentation required when requesting the Department of Health to issue a new birth certificate with a sex designation change by requiring an affidavit from a licensed medical provider or license mental health provider attesting that the current birth certificate record does not align with the birth registrant's gender identity and that in the provider's professional opinion, the birth registrant's sex designation should be changed accordingly.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, American Civil Liberties Union of Hawaii, Human Rights Campaign, Pride At Work Hawaii, Gay Lesbian and Transgender Caucus of the Democratic Party of Hawaii, Equality Hawaii, Democratic Party of Hawaii, Community Alliance on Prisons, and twenty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaii Family Forum, Hawaii Catholic Conference, and four individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the majority of transgender individuals do not choose to undergo sex reassignment surgeries for various reasons, including prohibitive costs and other medical and personal reasons. Thus, the current statutory reference to a sex change operation is outdated. This measure would make it easier for transgender individuals to request a new birth certificate, allowing them to more readily amend their legal documents, including driver's license and other forms of identification.

Your Committee has amended this measure by:

- (1) Inserting language that requires a copy of an order from the Circuit Court granting a petition for a new birth certificate to be submitted to the Department of Health with the affidavit from a licensed medical provider or licensed mental health provider;
- (2) Requiring the Supreme Court of Hawaii to adopt rules and forms as necessary to implement this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 631, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 631, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6; Ayes with Reservations (Gabbard). Noes, none. Excused, 1 (Slom).

SCRep. 1525 Judiciary and Labor on H.B. No. 538

The purpose and intent of this measure is to assist victims of domestic abuse by authorizing the family court to issue an order requiring wireless telecommunications service providers to:

- (1) Transfer billing authority and all rights to the wireless numbers of a shared wireless plan to a petitioner who has been granted an order of protection pursuant to chapter 586, Hawaii Revised Statutes, if the petitioner is not the account holder; or
- (2) Remove or release a petitioner from a shared wireless plan and assign a substitute telephone number or numbers.

Your Committee received testimony in support of this measure from the PHOCUSED and two individuals. Your Committee received testimony in opposition to this measure from the American Association of University Women. Your Committee received comments on this measure from the Domestic Violence Action Center.

Your Committee finds that victims of domestic violence often find themselves struggling to escape their abusive situations. The financial and contractual obligations associated with wireless plans often act as a barrier that prevents a domestic violence survivor from leaving an abusive relationship.

Your Committee notes the concerns raised in written testimony regarding the hardship that obtaining a protective order may have on a victim of domestic violence. In written testimony, PHOCUSED testified that many survivors of domestic violence do not apply for protective orders when violence has occurred largely due to fear of their abuser. Some victims of domestic violence may not be willing or financially able to obtain a court order.

Your Committee notes that S.B. No. 752 (Regular Session of 2015), requires all telecommunications carriers to release, without charge or penalty, victims of documented domestic violence from shared wireless plans involving their abuser, provided that the victims submit an opt-out request. Your Committee finds that an opt-out request is a viable option for victims of domestic violence to be released from a shared or family cellular phone plan in lieu of petitioning for a protective order.

Accordingly, your Committee has amended this measure by:

- (1) Inserting substantially similar language from S.B. No. 752 (Regular Session of 2015) that amends chapter 269, Hawaii Revised Statutes, to:
 - (A) Require all wireless telecommunications service providers to release, without charge, penalty, or fee, any victim of domestic violence from a shared or family wireless service contract involving the victim's abuser; provided that the victim submits an opt-out request with evidence of domestic violence as documented by a valid police report documenting an instance or series of instances of domestic violence; and
 - (B) Allow a victim of domestic violence who submits an opt-out request to further request a substitute or new phone number or alternative telecommunications service and require the wireless telecommunications service provider to abide by the request, without charge, penalty, or fee, within twenty-four hours of receiving the request;
- (2) Inserting language in the purpose section under section 1 to reflect the added language regarding opt-out requests;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 538, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 538, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 1526 Ways and Means on H.B. No. 1513

The purpose and intent of this measure is to further strengthen and support Hawaii's companies that are conducting renewable energy research and development.

More specifically, this measure establishes a two-year alternative energy research and development pilot program to provide matching grants to qualified local companies that have existing contracts with the principal research division of the United States Department of Defense Office of Naval Research.

Your Committee received written comments in support of this measure from The Chamber of Commerce Hawaii, HSI Mechanical, Inc., and forty-seven individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii's dependence on imported oil to supply its energy needs threatens Hawaii's natural environment and places its economic security at risk. To gain independence from oil, the State adopted the clean energy initiative to achieve seventy percent clean energy by the year 2030. Your Committee further finds that there are growing numbers of Hawaii-based companies conducting research and developing clean energy technologies that may assist the State in achieving its clean energy goals. Your Committee believes that it is in Hawaii's best interest to support and strengthen these companies and to take steps to encourage the development of high-impact clean energy solutions that promote innovative economic development.

Your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism to adopt administrative rules to effectuate the grant program;
- (2) Providing that a business is ineligible for a grant through the alternative energy research and development pilot program if the business has obtained any other state tax credit or grant, other than a grant awarded by the Department of Defense Office of Naval Research, at the time of or during the duration of an alternative energy research and development pilot program grant;
- (3) Changing the effective date to July 1, 2053, to facilitate further discussion on the measure; and
- (4) Making a technical nonsubstantive change for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1527 Ways and Means on H.B. No. 850

The purpose and intent of this measure is to address the budgetary shortfalls experienced by the University of Hawaii College of Tropical Agriculture and Human Resources' cooperative extension service by appropriating moneys for critical unfunded positions.

Your Committee received written comments in support of this measure from the Department of Agriculture, University of Hawaii, Hawaii Farm Bureau, and a Councilmember from the Kauai County Council.

Your Committee finds that the University of Hawaii College of Tropical Agriculture and Human Resources is in critical need of personnel for its cooperative extension service to improve and strengthen Hawaii's sustainability in agriculture through educational programs. The cooperative extension service partners with federal, state, and county governments to provide science-based information and education programs related to agriculture, natural resources, and human resources. Your Committee further finds that since 2008, the cooperative extension service has experienced a twenty-seven per cent decrease in extension agents who service various counties, causing a decrease in community outreach and service. Your Committee believes that this measure will benefit the community and Hawaii's agricultural economy as it seeks to restore important unfunded positions and community outreach and educational services.

Your Committee has amended this measure by:

- (1) Providing for an unspecified number of positions to be filled;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 850, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 850, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1528 (Majority) Ways and Means on H.B. No. 553

The purpose and intent of this measure is to allow graduate student assistants employed by the University of Hawaii to collectively bargain.

Specifically, this measure:

- (1) Establishes collective bargaining unit (15) to consist of graduate student assistants employed by the University of Hawaii; and
- (2) Requires the Director of Human Resources Development to convene the prospective collective bargaining unit working group to recommend rights, privileges, salaries, wages, compensation, working hour restrictions, and other aspects of collective bargaining unit (15) to the Legislature.

Your Committee received written comments in support of this measure from the University of Hawaii at Manoa Graduate Student Organization and ten individuals. Your Committee received written comments in opposition to this measure from the University of Hawaii System. The Office of Collective Bargaining submitted written comments on this measure.

Your Committee finds that graduate student assistants at the University of Hawaii have reported inconsistencies in the workplace, ranging from job security, low wages, a lack of regular salary increases, and not being afforded sick days or family leave. This measure will allow graduate student assistants to collectively bargain so that they may negotiate for fair salaries, benefits, and rights.

Your Committee has amended this measure by:

- (1) Clarifying that graduate student assistants employed by the University of Hawaii and working less than twenty hours per week shall not be excluded from an appropriate bargaining unit; and
- (2) Requiring the Chief Negotiator of the Office of Collective Bargaining, instead of the Director of Human Resources Development, to convene and invite members of the prospective collective bargaining unit working group.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 553, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 553, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 1529 Ways and Means on H.B. No. 501

The purpose and intent of this measure is to support the local agricultural industry by expanding the types of utility services for which agricultural ratepayers may qualify for preferential rates.

This measure also requires the Public Utilities Commission to define the terms “qualified agricultural activities” and “bona fide agribusinesses” for purposes of the preferential rates.

Your Committee received written comments in support of this measure from the Department of Agriculture, Land Use Research Foundation of Hawaii, Hawaii Farm Bureau, and Ulupono Initiative. Your Committee received written comments on this measure from the Hawaii Public Utilities Commission.

Your Committee finds that the local agricultural industry is vitally important to Hawaii’s efforts to attain self-sufficiency. In order for farmers and ranchers to remain competitive and self-sustaining, the State must provide incentives and mechanisms to ensure that all means of supporting the agricultural industry are implemented. Your Committee further finds that providing preferential rates for certain public utility services such as water, interisland shipping, and electricity, to ratepayers engaged in agricultural activity will help to protect the local agricultural industry.

Your Committee notes that the Public Utilities Commission must define “qualified agricultural activities” and “bona fide agribusinesses” to implement the preferential rate program. As guidance, your Committee refers the Commission to the definition of “farming operation” under section 165-2, Hawaii Revised Statutes. Your Committee requests that the Commission consider using similar language under “farming operation,” applied appropriately, to define “qualified agricultural activities” and “bona fide agribusinesses.”

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 501, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1530 Ways and Means on H.B. No. 365

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid to the City and County of Honolulu to establish the Honolulu Police Department body camera pilot program for one hundred officers and to purchase wearable body camera technology for the pilot program.

Your Committee received written comments in support of this measure from the State of Hawaii Organization of Police Officers and IMUAlliance.

Your Committee finds that using wearable body camera technology may provide law enforcement officers and civilians with added security in their actions. Your Committee further finds that a body camera pilot program will promote transparency, accountability, and protection for law enforcement officers and the public.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive change for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 365, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 365, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1531 (Joint/Majority) Judiciary and Labor and Ways and Means on H.B. No. 1467

The purpose and intent of this measure is to:

- (1) Enable the Hawaii Health Connector (Connector) to offer large group coverage to insurers, beginning January 1, 2017;
- (2) End transitional renewal policies, beginning January 1, 2016;
- (3) Require health insurers to provide notice to group health plans offering continuation coverage about options to secure affordable coverage under the Connector; and
- (4) Expand the potential small businesses market in the Connector by changing the threshold number of employees under the definition of “small employer” in section 431:2-201.5, Hawaii Revised Statutes, to an unspecified number of employees.

Your Committees received testimony in support of this measure from the Hawaii Primary Care Association. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Service Association.

Your Committees find that this measure offers several options to strengthen the Connector, including ending transitional renewal policies on January 1, 2016. Your Committees note that transitional renewal policies, also known as grandmothers health plans, do not provide all of the features and protections of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). Ending these transitional renewal policies on January 1, 2016, will simplify health plan choices for individuals and small businesses and will ensure that all plans offered in Hawaii are fully compliant with the Affordable Care Act.

Your Committees further find that section 1304(b)(2) of the Affordable Care Act defines a small employer as an employer who employs an average of at least one but not more than one hundred employees. Amending the definition of “small employer” in section

431:2-201.5, Hawaii Revised Statutes, to conform to the definition in section 1304(b)(2) of the Affordable Care Act may help expand the potential market for small businesses in the Connector's small business health options program.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1467, H.D. 2, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 3. Noes, 1 (Slom). Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 1532 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1127

The purpose and intent of this measure is to require the State Procurement Office to provide mandatory procurement training and any additional training as the chief procurement officers may determine for all state and county government employees that are charged with procurement.

Your Committees received testimony in support of this measure from the State Procurement Office, Hawaii Procurement Institute, Building Industry Association of Hawaii, Hawaii Alliance of Nonprofit Organizations, and Ulupono Initiative.

Your Committees find that proper training is essential to ensure effective procurements. A mandatory statewide training and development program will promote uniform procurement practices and consistent application of the procurement code.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1127, H.D. 1, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1533 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 819

The purpose and intent of this measure is to:

- (1) Require state and county agencies and grantees that serve youth to adopt bullying prevention policies;
- (2) Establish a bullying prevention task force within the Department of Education to assist the Governor with bullying prevention policies in the State;
- (3) Amend section 302D-34, Hawaii Revised Statutes, to clarify that a public charter school shall not discriminate against any student or limit admission based on, among other factors, sex, including gender identity or expression, rather than based on gender; and
- (4) Appropriate an unspecified amount to the Department of Education for fiscal years 2015-2016 and 2016-2017 for resources and staff support necessary for the bullying prevention task force.

Your Committees received testimony in support of this measure from the Hawaii Civil Rights Commission; State Council on Developmental Disabilities; State Public Charter School Commission; Women's Caucus, Democratic Party of Hawaii; Hawaii State Teachers Association; Hawaii Youth Services Network; Americans for Democratic Action; Gay, Lesbian, and Straight Education Network (GLSEN) Hawaii; Human Rights Campaign; Equality Hawaii; Parents and Children Together; and thirty-five individuals. Your Committees received comments on this measure from two individuals.

Your Committees find that this measure is an important step toward bolstering youth safety by clearly defining bullying across all youth-serving agencies. Anti-bullying policies will help adults and children better identify bullying and understand how to intervene. Before children can focus on learning, they must feel safe and free from intimidation and threats of violence or humiliation. Bullying not only impedes learning, but is also a leading cause of youth suicide. This measure will work to identify bullying and empower youth and adults to end it.

Your Committees note that this measure administratively attaches the bullying prevention task force to the Department of Education. Your Committees encourage further discussion, as this measure moves through the legislative process, on whether this task force should be administratively attached to the Office of the Governor or Office of the Lieutenant Governor.

Your Committees have amended this measure by:

- (1) Deleting language that would have prohibited a public charter school from discriminating against any student or limit admission based on, among other factors, sex, including gender identity or expression, rather than based on gender;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 819, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 819, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1534 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 696

The purpose and intent of this measure is to establish the Hawaii Healthcare Workforce Advisory Board to help increase and strengthen the healthcare workforce in the State.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, Hawaii Primary Care Association, and Ohana Health Plan.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which deletes the contents and inserts substantially similar language from H.B. No. 520, H.D. 2 (Regular Session of 2015), that:

- (1) Allows the Director of Labor and Industrial Relations to establish workforce advisory boards;
- (2) Specifies the duties and responsibilities of the workforce advisory boards;
- (3) Requires the members of the workforce advisory boards to serve without compensation and establishes two-year terms for members; and
- (4) Inserts an effective date of July 1, 2030.

Your Committees did not receive any testimony on the proposed S.D. 1.

Your Committees find that the federal Workforce Innovation and Opportunity Act helps to improve the nation's workforce development system and put Americans back to work. Your Committees further find that the State needs a system that prepares workers for the present workforce and helps businesses find the skilled employees they need to compete and create jobs in America. In order to provide leadership and flexibility in implementing the Workforce Innovation and Opportunity Act, the proposed S.D. 1 allows the Director of Labor and Industrial Relations to establish workforce advisory boards to bring together partners, stakeholders, employers, and educators under various advisory boards.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by:

- (1) Reinserting the language from H.B. 696, H.D. 1 (Regular Session of 2015) that establishes the Hawaii Healthcare Workforce Advisory Board;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 696, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 696, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1535 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 508

The purpose and intent of this measure is to:

- (1) Establish and fund a qualified feed developer grant program;
- (2) Appropriate unspecified sums for the livestock revitalization program, which includes reimbursements to qualified producers of certain products for their cost of feed and the qualified feed developer grant program;
- (3) Require and appropriate unspecified sums to the Department of Agriculture to conduct a survey to identify, assess, and validate locally sourced feed ingredients;
- (4) Authorize industrial hemp to be grown for purposes of research conducted under an agricultural pilot program or other agricultural or academic research by an institution of higher education or by others acting under specific agreement with and under the authority of the Hawaii Department of Agriculture; and
- (5) Appropriate unspecified sums to the Department of Agriculture for the establishment of one full-time equivalent position in the Department of Agriculture for the industrial hemp program under an agricultural pilot program or other agricultural or academic research.

Your Committees received testimony in support of this measure from the Hawaii Advocates For Consumer Rights; Hawaii Farm Bureau; Hawaii Farmers Union United; Beyond Organic Consulting, Inc.; Land Use Research Foundation of Hawaii; Oceanic Institute of Hawaii Pacific University; Pacific Biodiesel Technologies; Ulupono Initiative; and fifty-seven individuals. Your Committees received testimony in opposition to this measure from the League of Women Voters of Hawaii. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that the Hawaii livestock industry consistently identifies the cost of feed as the most expensive component in operational costs. The Department of Agriculture is committed to reducing the cost of production for the State's livestock and aquaculture industries by reducing the cost of feed. Hawaii has the potential ingredients for the development and production of local feedstock, and the Department of Agriculture has initiated a feed development process to identify, assess, and validate available local feed ingredients. Your Committees further find that support for feed mills is the number one priority of this measure, followed by support of industrial hemp cultivation, and lastly support of feed developers and then feed producers.

Additionally, your Committees find that industrial hemp may be a beneficial ingredient in livestock feed. Hemp has a superior profile of omega-3 and omega-6 fatty acids that makes for healthier and better tasting beef and poultry. Modern production methods have utilized hemp seed oil to make high-grade food and beauty products and hemp stalk fiber and cellulose to make everything from automotive parts and fine clothing to building materials and fuel. The intermediate processing of hemp seed, oil, food ingredients, and fiber could create jobs in close proximity to the fields of cultivation.

Your Committees have amended this measure by:

- (1) Inserting language to appropriate an unspecified sum to the Department of Agriculture for fiscal years 2015-2016 and 2016-2017 for the establishment of an unspecified number of full-time equivalent positions in the Department of Agriculture to implement the qualified feed developer grant program;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 508, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 508, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1536 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 448

The purpose and intent of this measure is to:

- (1) Require the Department of Health to conduct reviews of domestic violence fatalities, near-deaths, and suicides within one year of any occurrence; and
- (2) Authorize the Department of Health to enter into memoranda of understanding to obtain information relating to near-deaths resulting from intimate partner violence.

Your Committees received testimony in support of this measure from the Women's Caucus of the Democratic Party of Hawaii and one individual.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which added a part II to insert language that:

- (1) Establishes the address confidentiality program within the Crime Victim Compensation Commission to help victims of domestic violence and sexual assault to relocate and keep their addresses confidential; and
- (2) Creates the address confidentiality program surcharge fund to defray the costs of the program.

Your Committees received testimony in support of the proposed S.D. 1 from the Hawaii State Commission on the Status of Women, PHOCUSED, Domestic Violence Action Center, and Hawaii Women's Coalition. Your Committees received testimony in opposition to the proposed S.D. 1 from the Department of the Attorney General and Crime Victim Compensation Commission. Your Committees received comments on the proposed S.D. 1 from the Department of Budget and Finance, Department of Health, and The Sex Abuse Treatment Center.

Your Committees find that in Hawaii, it is estimated that about 132,000 adults experience intimate partner violence in their lifetime. However, the majority of those adults do not report such experiences to authorities. This measure will further increase the understanding of domestic violence by the community and provide much needed feedback and data for agencies and organizations.

Your Committees further find that address confidentiality programs are necessary in light of modern technology that makes information easily accessible through the Internet and in public records. According to the written testimony submitted by the Hawaii State Commission on the Status of Women, thirty-six states have enacted and implemented address confidentiality programs. The proposed S.D. 1 helps to keep victims of domestic violence and sexual assault safe by protecting their actual addresses while providing a substitute address to enable them to be legally served, receive child support payments, register to vote, and apply for a driver's license.

Your Committees note the concerns raised in the written testimony submitted by the Department of the Attorney General that the proposed S.D. 1 may violate article III, section 14, of the Hawaii State Constitution because it embraces more than one subject. The Department testified that the title of the proposed S.D. 1 is "relating to domestic violence", but the address confidentiality program established under part II of the proposed S.D. 1 is intended to assist victims of not only domestic violence, but also sexual offenses and stalking.

Your Committees further note the concerns raised by the Crime Victim Compensation Commission that the proposed S.D. 1 does not provide positions or adequate funding to administer the address confidentiality program and is void of providing a secure and confidential location to serve participants of the address confidentiality program. The Commission also testified that the proposed S.D. 1 requires potential program participants to begin applying for the program beginning on July 1, 2015, which does not provide the time needed to develop and implement the program. Your Committees believe that further discussion is necessary to find an appropriate agency or department to properly administer the address confidentiality program.

Accordingly, your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by:

- (1) Placing the address confidentiality program within the Department of the Attorney General rather than the Crime Victim Compensation Commission;
- (2) Appropriating an unspecified amount to the Department of the Attorney General for fiscal years 2015-2016 and 2016-2017 to implement the address confidentiality program and establish one full-time equivalent position to assist in the implementation of the program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 448, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 448, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 1537 Ways and Means on H.B. No. 830

The purpose and intent of this measure is to create an exemption from the historic preservation review requirements of section 6E-42, Hawaii Revised Statutes, for proposed projects on privately-owned single-family detached dwelling units that are not designated on or nominated for the Hawaii or National Registers of Historic Places, or located in a historic district.

Your Committee received written comments in support of this measure from The Chamber of Commerce Hawaii, Society for Hawaiian Archaeology, Building Industry Association of Hawaii, and one individual. Your Committee received written comments in opposition to this measure from the Historic Hawaii Foundation. Your Committee received written comments on this measure from the Department of Land and Natural Resources and Hawaii Association of REALTORS.

Your Committee finds that almost forty percent of the existing private residences on Oahu were built prior to 1970. Your Committee also finds that state law considers any building that is over fifty years old as a historic property. Section 6E-42, Hawaii Revised Statutes, requires review by the State Historic Preservation Division of the Department of Land and Natural Resources before a permit is granted for proposed projects on historic property. Your Committee believes that, in certain instances, this requirement has delayed the granting of permits for many months, which has had an adverse effect on homeowners and the construction industry. Your Committee also believes that since almost forty percent of private residences on Oahu are or will soon be considered historic property, it is prudent to examine current processes and procedures regarding historic properties.

Your Committee notes that the testimony on this measure raises various concerns. Your Committee recommends that the subject matter committees review the concerns so that they may be addressed appropriately in conference committee.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 830, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1538 Ways and Means on H.B. No. 851

The purpose and intent of this measure is to appropriate moneys to establish an advanced life support ambulance to be based in Puna on the island of Hawaii, including the acquisition of a vehicle, equipment, and funding personnel costs for state-certified emergency medical services personnel.

Your Committee received written comments in support of this measure from The Daniel Sayre Memorial Foundation. Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that Puna residents are in need of an additional advanced life support ambulance to supplement the current Hawaii county fire department's emergency medical services system. Your Committee believes that Puna's population has greatly expanded, with a projected population increase to seventy-five thousand individuals within the next fifteen years. Your Committee finds that the ongoing lava flow has exacerbated the need to serve the nearly ten thousand residents within the projected lava impact

area. Your Committee further finds that an additional advanced life support ambulance will help to reduce death and disability among residents and visitors to the island of Hawaii.

Your Committee has amended this measure by:

- (1) Expanding the single-year appropriation for fiscal year 2015-2016 to include both years of the fiscal 2015-2017 biennium; and
- (2) Making a technical nonsubstantive amendment for the purposes of clarity, consistency, and style.

Your Committee notes that this measure appropriates moneys from the emergency medical services special fund. Your Committee intends that those special funds be used if available.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 851, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 851, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1539 Ways and Means on H.B. No. 874

The purpose and intent of this measure is to address non-translated Hawaiian language assessments for Hawaiian language immersion students.

Specifically, this measure, with regard to Hawaiian language immersion students:

- (1) Requires the Department of Education to submit a report on non-translated Hawaiian language assessments, including the status of the development and administration of the assessments, along with the status of complying with federal law regarding the assessments; and
- (2) Appropriates an unspecified sum to the Department of Education to report on the status and long-term development and administration of annual non-translated assessments in the Hawaiian language.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, State Public Charter School Commission, Kamehameha Schools, Aha Moku Advisory Committee, Aha Punana Leo, Association of Hawaiian Civic Clubs, Kaliha Palama Hawaiian Civic Club, University of Hawaii at Hilo College of Hawaiian Language, and two individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs and the Department of Education.

Your Committee finds that federal accountability assessment requirements present a unique challenge for Hawaiian language immersion students. Historically, the assessment tests have been translated versions of the English language tests containing inconsistent or inappropriate translations. In 2013, the Legislature appropriated \$1,000,000 to the Department of Education for the development of common core state standards assessments in the Hawaiian language. This measure will require the Department of Education to report on the status of those Hawaiian language assessments and to develop a long-term plan to administer the assessments so that Hawaiian language immersion students may meaningfully participate in state and national educational assessment programs.

Your Committee has amended this measure by:

- (1) Specifying that the funds appropriated shall also be expended for the continued development of non-translated assessments in the Hawaiian language; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 874, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 874, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1540 Ways and Means on H.B. No. 1356

The purpose and intent of this measure is to establish the rate stabilization reserve fund to provide reserve funds for the Employer-Union Health Benefits Trust Fund.

Additionally, this measure:

- (1) Caps the mandatory annual public employer contributions to the separate trust fund for other post-employment benefits once the combined balance of the contributions is at least \$2,000,000,000; and
- (2) Authorizes the Board of Trustees of the Employer-Union Health Benefits Trust Fund to invest moneys in the same manner as the Board of Trustees of the Employees' Retirement System.

Your Committee received written comments on the measure from the Department of Budget and Finance, the Employer-Union Health Benefits Trust Fund, and the Tax Foundation of Hawaii.

Your Committee finds that the Employer-Union Health Benefits Trust Fund should be permitted to invest in the same asset classes as the Employees' Retirement System to maximize returns within prudent levels of risk.

Your Committee has amended this measure by deleting all of its contents except for the amendment to the investment powers of the Board of Trustees of the Employer-Union Health Benefits Trust Fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1356, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1356, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1541 Ways and Means on H.B. No. 1180

The purpose and intent of this measure is to improve transparency and efficiency and provide greater flexibility in the procurement system.

Specifically, this measure:

- (1) Requires the Administrator of the State Procurement Office to establish an inadequate performance database to identify public works contractors that habitually perform poorly;
- (2) Transfers authority for the Compliance Audit Unit from the Office of the Auditor to the State Procurement Office;
- (3) Requires the Compliance Audit Unit to establish a database of meaningful statewide procurement contract data that is made accessible to each governmental entity and that allows selected non-confidential data to be made accessible to the general public;
- (4) Authorizes the Compliance Audit Unit to access statewide public contract information;
- (5) Establishes a procurement task force to define past performance, create criteria for adverse performance, and develop associated rules and processes required for statewide implementation;
- (6) Establishes a process for special innovative procurement, including public-private partnerships; and
- (7) Makes appropriations for purposes of the measure.

Your Committee received written comments in support of this measure from the Hawaii Laborers Union Local 368 and the Ulupono Initiative. Your Committee received written comments in opposition to this measure from the League of Women Voters of Hawaii. The American Council of Engineering Companies and the Hawaii Health Systems Corporation provided written comments on the measure.

Prior to the hearing on this measure, your Committee circulated a Proposed Senate Draft 2 and notified the public that it would be accepting testimony on the proposed draft. The proposed draft requires the Administrator of the State Procurement Office to develop and administer a searchable electronic database to record instances of inadequate performance by contractors for public works contracts and construction procurement contracts under chapter 103 and 103D, Hawaii Revised Statutes, respectively.

Your Committee received testimony in opposition to the proposed draft from the State Procurement Office.

Your Committee finds that it is in the public interest to promote transparency and efficiency in the procurement process. Your Committee believes that this measure will help to ensure that the public receives a completed project that is delivered on time, on budget, and of acceptable quality.

Your Committee has amended the Senate Draft 1 version of this measure by:

- (1) Requiring the Administrator of the State Procurement Office to establish a database to record performance by contractors generally, rather than establishing an inadequate performance database to identify contractors that habitually perform poorly;
- (2) Deleting language that made the database applicable to construction procurement contracts under chapter 103D, Hawaii Revised Statutes;
- (3) Deleting section 7 of the measure, which required the Administrator of the State Procurement Office to develop and administer an inadequate performance database;
- (4) Deleting the AFL-CIO from the list of organizations to be represented on the procurement task force;
- (5) Deleting part II of the measure, which:
 - (A) Established a process for special innovative procurement;
 - (B) Required the Procurement Policy Board to draft rules for special innovative procurements, including rules regarding public-private partnerships; and
 - (C) Appropriated moneys for a temporary position within the Department of Accounting and General Services; and
- (6) Making conforming amendments to the purpose section of the measure for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1180, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1180, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1542 (Majority) Ways and Means on H.B. No. 169

The purpose and intent of this measure is to address the transient accommodations tax imposed on resort time share vacation units.

More specifically, this measure:

- (1) Amends the definition of “fair market rental value;” and
- (2) Increases the rate of the transient accommodations tax imposed on resort time share vacation units by one percent each year to gradually achieve a rate of 9.25 percent of the fair market rental value.

Your Committee received written comments in support of this measure from Project Vision Hawaii. Your Committee received written comments in opposition to this measure from American Resort Development Association Hawaii, The Chamber of Commerce of Hawaii, and one individual. Your Committee received written comments on this measure from the Department of Taxation, Starwood Vacation Ownership, and the Tax Foundation of Hawaii.

Your Committee finds that current state law imposes a lower tax rate on resort time share vacation plans than on other transient accommodations, such as hotels. Under current law, the transient accommodations tax is imposed on hotels at a rate of 9.25 percent on the gross rental proceeds derived from furnishing transient accommodations. Resort time share vacation plans, however, are taxed at a rate of 7.25 percent on one-half the gross daily maintenance fees that are paid by the owner of a resort time share vacation unit.

Your Committee notes that the Department of Taxation has expressed concerns about the amendment to the definition of “fair market rental value” in this measure. Your Committee does not believe that resort time share operators will manipulate their operations to avoid the tax in the manner warned of by the Department. If such avoidance does occur, however, your Committee requests that the Department of Taxation notify the Legislature.

Your Committee has amended this measure by changing the effective date from July 1, 2020, to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 169, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Dela Cruz, Galuteria).

SCRep. 1543 Ways and Means on H.B. No. 482

The purpose and intent of this measure is to establish a full-time temporary program manager position in the Department of Agriculture for the pesticide subsidy program.

Your Committee received written comments in support of this measure from the Department of Agriculture and the Hawaii Farm Bureau.

Your Committee finds that this measure formally establishes the temporary pesticide subsidy program manager position, for which an appropriation was previously made under Act 105, Session Laws of Hawaii 2014.

Your Committee has amended this measure by:

- (1) Establishing an unspecified maximum annual salary figure for the program manager position; and
- (2) Appropriating unspecified sums from the pesticide use revolving fund for fiscal biennium 2015-2017 for that position.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 482, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 482, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1544 Ways and Means on H.B. No. 697

The purpose and intent of this measure is to require the Auditor to conduct a study that reviews the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects.

Specifically, the measure requires the Auditor to determine:

- (1) If each office adheres to a specific timeline for the purpose of ensuring that the project continues to move forward in a timely manner;
- (2) Whether consultants and contractors that are used by departmental engineering sections are properly managed in the public interest; and
- (3) The level of end-user satisfaction with capital improvement projects performed by various departments.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services.

For purposes of a public hearing on this measure, your Committee circulated a Proposed Senate Draft 2. In addition to retaining the provisions of the Senate Draft 1, the proposed draft:

- (1) Requires the Department of Accounting and General Services to:
 - (A) Undertake lease buyback processing under the program of centralized engineering and office leasing services;

- (B) Facilitate facility agreements between the State and private investors for the sale of facilities to private investors; and
 - (C) Conduct an inventory of all leases of property between state agencies and private entities and submit a report to the Legislature prior to the 2016 Regular Session; and
- (2) Appropriates moneys for the Department of Accounting and General Services to conduct the inventory of all leases of property between state agencies and private entities.

Your Committee received no testimony on the proposed draft.

Your Committee finds that, pursuant to section 26-6, Hawaii Revised Statutes, the Department of Accounting and General Services is responsible for undertaking the program of centralized engineering and office leasing services, including operation and maintenance of public buildings, for departments of the State. Your Committee further finds that a number of executive departments have undertaken the responsibility for the engineering of numerous general fund construction and renovation projects, thereby decentralizing engineering activities. Your Committee believes that this measure, among other things, will provide information necessary to determine if it is in the public interest to continue to operate duplicative engineering operations within various departments.

Your Committee has amended this measure by adopting the Proposed Senate Draft 2 and further amended it by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 697, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 697, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Ruderman).

SCRep. 1545 Ways and Means on H.B. No. 782

The purpose and intent of this measure is to prevent public health problems caused by the cytomegalovirus.

Specifically, the measure:

- (1) Requires the Department of Health to establish a public education program to inform and educate pregnant women and women who may become pregnant about the cytomegalovirus;
- (2) Requires physicians of newborn infants identified as or suspected of having a hearing impairment to ensure testing of the newborn infant for the cytomegalovirus and to provide the parents of the newborn infant with information regarding cytomegalovirus;
- (3) Requires the Department of Health to convene a working group comprising various stakeholders to participate in the development of the public education program; and
- (4) Appropriates funds to implement the public education program.

Your Committee received written comments in support of this measure from one hundred fourteen individuals. Written comments in opposition were received from the Department of Health, Hawaii Chapter of the American Academy of Pediatrics, and Hawaii Pacific Health.

Your Committee finds that in the United States, more than five thousand children suffer permanent disabilities caused by congenital cytomegalovirus infection each year. The disease often results in deafness or loss of vision in children and may cause other serious physical disabilities as well.

Based on testimony received from both the Department of Health and the American Academy of Pediatrics - Hawaii Chapter, your Committee believes that convening a working group that includes knowledgeable stakeholders to develop a public education campaign to inform and educate health care providers, pregnant women, and women who may become pregnant is the appropriate first step in raising awareness and prevention of this serious birth defect.

Your Committee has amended this measure by:

- (1) Deleting the findings and purpose section;
- (2) Deleting the requirement that the Department of Health establish a cytomegalovirus public education program;
- (3) Deleting the requirement that physicians of newborn infants identified as or suspected of having a hearing impairment ensure testing of the newborn infant for the cytomegalovirus and provide the parents of the newborn infant with information regarding the cytomegalovirus;
- (4) Re-designating the appropriation to support the working group established by the measure, rather than the Department of Health public education program; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 782, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 782, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Slom).

SCRep. 1546 Ways and Means on H.B. No. 832

The purpose and intent of this measure is to authorize public charter school students to attend a school outside each student's service area if the student has been notified of the prospect of charter revocation or closure of the student's charter school.

For the purposes of a public hearing, your Committee circulated a proposed S.D. 2 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which adds a provision authorizing the University Laboratory School to conform its student enrollment to standards established by the University of Hawaii College of Education. The Proposed Draft would take effect upon its approval.

Your Committee received written testimony in support of the Proposed Draft from University of Hawaii Laboratory School, the State Public Charter School Commission, and two individuals.

Your Committee finds that Act 159, Session Laws of Hawaii 2013, enacted provisions prohibiting, among other things, public charter schools from limiting student admissions based upon race, color, ethnicity, national origin, religion, gender, sexual orientation, income level, disability, level of proficiency in the English language, need for special education services, or academic or athletic ability. That Act, now codified, in part, as section 302D-34, Hawaii Revised Statutes, prohibits the University of Hawaii Laboratory School from using its historical, research-based admission policy of creating an inclusive student population reflective of Hawaii that is based upon gender, family income, ethnicity, school achievement, and other factors. Your Committee believes that the limited exception created by this measure will allow the University of Hawaii Laboratory School to continue using its admission practice of providing a purposefully diverse population of students to conform to the educational research requirements of the University of Hawaii College of Education and better reflect legislative intent when significant changes were made to charter school laws over the last four years.

Your Committee has amended this measure by adopting the Proposed Draft and further amending it by:

- (1) Removing the provision that authorizes selected public charter school students to attend a school outside the student's service area; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 832, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 832, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Galuteria).

SCRep. 1547 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1112

The purpose and intent of this measure is to:

- (1) Require the Auditor to conduct a financial and management audit of the Hawaii Health Systems Corporation every five years;
- (2) Repeal certain limits on the Hawaii Health Systems Corporation's and regional system boards' operational authority;
- (3) Authorize the Hawaii Health Systems Corporation to negotiate master collective bargaining agreements for its employees; and
- (4) Clarify that a regional system or facility of the Hawaii Health Systems Corporation may transition by partnering with a private healthcare management system notwithstanding civil service and related laws.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation; Hawaii Health Systems Corporation, West Hawaii Regional Board; and five individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that the Hawaii Health Systems Corporation provides essential hospital and long-term care services, in addition to physician and other health care services, throughout the State. Due to rapid changes taking place in the health care industry, the governing structure of the public hospital system must provide the appropriate flexibility and autonomy needed to compete and remain viable and responsive to the needs of the specific communities served by furthering the development of centers of excellence in health care.

Your Committees have amended this measure by:

- (1) Simplifying the purpose section under section 1 for further clarity;
- (2) Deleting language that would have allowed employees transitioned to a private entity under chapter 323F, Hawaii Revised Statutes, to not be governed by chapters 76 and 89, Hawaii Revised Statutes;
- (3) Deleting the contents of part III and inserting language that is substantially similar to H.B. 1075, H.D. 2, S.D. 2 (Regular Session of 2015), that authorizes a regional system of the Hawaii Health Systems Corporation, in collaboration with a private entity, to transition any one or more of its facilities to management and operation by a new nonprofit management entity;
- (4) Deleting sections 9 and 10;
- (5) Inserting language that appropriates an unspecified amount to the Department of Budget and Finance for fiscal year 2015-2016 for an unspecified number of full-time positions to coordinate the review of documents and examine the fiscal implications posed by a transition of any Hawaii Health Systems Corporation facility to management and operation by a nonprofit management entity;
- (6) Inserting an effective date of January 7, 2015, to encourage further discussion; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1112, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1112, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10; Ayes with Reservations (Ruderman). Noes, none. Excused, 1 (Harimoto).

SCRep. 1548 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1075

The purpose and intent of this measure is to authorize the Maui Regional System of the Hawaii Health Systems Corporation to enter into an agreement with a private entity to transition one or more of its facilities into a new private Hawaii nonprofit corporation.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation; Hale Makua Health Services; Healthcare Association of Hawaii; Brother Nature Foundation, Inc.; Hawaii Academy of Family Physicians; Hawaii Lodging & Tourism Association; Chamber of Commerce Hawaii; Maui Economic Development Board, Inc.; Maui Hotel & Lodging Association; Maui Pacific Cancer Institute; and fifty-five individuals. Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; United Public Workers, Local 646, AFL-CIO; Labor Caucus, Democratic Party of Hawaii; and fifteen individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Office of Hawaiian Affairs, and four individuals.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 2, which made various amendments to clarify the context and nature of the transactions necessary for a possible transition of a facility or facilities of the Maui Regional System to private ownership. Specifically, these amendments include:

- (1) Clarifying the purpose section under section 1 that the exploration of possible ventures with private partners has been an ongoing process as allowed under section 323F-7.6, Hawaii Revised Statutes, and potential private partners have expressed hesitation at proceeding in more detailed negotiations without further specific enabling legislation;
- (2) Adding the definition of “nonprofit management entity”, which means a wholly-owned subsidiary of the private partner entity, the primary purpose of which is to operate and manage a facility that will undergo a transition;
- (3) Amending the definition of “transitioned facility” to specify certain minimum conditions that are required to be met to complete the transition;
- (4) Clarifying that the transition to a nonprofit management entity will involve the transfer of the exclusive right to conduct ongoing business at a facility together with various necessary business assets;
- (5) Specifying that the lease for real property will be an operating lease and contain various management terms and conditions for transfer of business assets of the relevant facility;
- (6) Simplifying the language regarding employment to allow increased flexibility in negotiations between the relevant parties;
- (7) Providing guidelines and standards for the nonprofit management entity of the Maui Regional System to seek annual operating support without regard to chapter 42F, Hawaii Revised Statutes;
- (8) Allowing the nonprofit management entity or Maui Regional System to seek capital project support without regard to chapter 42F, Hawaii Revised Statutes, based on a ten-year business plan to be included in the operating lease, and subject to similar standards as those specified for receiving funds for operating support;
- (9) Clarifying that the nonprofit management entity and its private entity parent company shall work together to coordinate and develop access to apply efficiencies of scale, expand and upgrade medical services for Maui residents, and use value-based contracting initiatives; and
- (10) Changing the effective date to July 1, 2015.

Your Committees received testimony in support of the proposed S.D. 2 from the Office of the Mayor, County of Maui; Hawaii Health Systems Corporation – Maui Region; Hawaii Pacific Health; Maui Memorial Medical Center Foundation; Maui Memorial Medical Center; Chamber of Commerce Hawaii; Maui Chamber of Commerce; and ten individuals. Your Committees received testimony in opposition to the proposed S.D. 2 from seven individuals. Your Committees received comments on the proposed S.D. 2 from the Department of Budget and Finance and Department of the Attorney General.

Your Committees find that health care is a very specialized, complex, and rapidly changing business where maintaining revenue is difficult and increasing revenue is particularly challenging. Hawaii Health Systems Corporation facilities can benefit from partners who can accelerate access to investments in areas such as health information technology, physician networks, quality improvement, supply chain management, and expertise in revenue cycle maximization.

Your Committees further finds that under Act 182, Session Laws of Hawaii 2009, the Legislature authorized any of the regional systems or individual facilities of the Hawaii Health Systems Corporation to transition into a new legal entity in any form recognized under the laws of the State. With the approval and support of its regional system board, at least one regional system has actively explored the possibilities of a public-private partnership allowed under section 323F-7.6, Hawaii Revised Statutes, including undertaking three formal solicitation efforts to gauge the interest of potential private partners locally and nationally.

Your Committees further find that in 2012, a regional system submitted confidential information and memoranda describing the operational and financial landscape of its facilities to twelve different companies and contacted an additional eight entities to explore their interest in a possible partnership. However, during the course of these efforts, the Hawaii Health Systems Corporation determined that the majority of potential partners are hesitant to evaluate partnership opportunities without enabling legislation that addresses certain structural issues related to such a transaction.

Accordingly, the proposed S.D. 2 ensures that the people of Hawaii who live in areas served by the Hawaii Health Systems Corporation have continued access to comprehensive high quality health care services. The proposed S.D. 2 creates a statutory mechanism that enables the Maui Regional System Board of the Hawaii Health Systems Corporation to proceed with substantive negotiations with any private entity willing to ensure that the medical needs of Maui County residents and visitors alike will be met.

Your Committees have amended this measure by adopting the proposed S.D. 2 and further amending the proposed S.D. 2 by:

- (1) Adopting certain technical, nonsubstantive amendments suggested by the Department of the Attorney General;
- (2) Specifying that to qualify for state subsidies for operating costs, the nonprofit management entity or Maui Regional System shall, among other requirements, submit itemized financial statements, including reimbursement rates; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1075, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1075, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 4; Ayes with Reservations (Espero). Noes, none. Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 10; Ayes with Reservations (Dela Cruz, Ruderman). Noes, none. Excused, 1 (Harimoto).

SCRep. 1549 (Joint/Majority) Judiciary and Labor and Ways and Means on H.B. No. 321

The purpose and intent of this measure is to:

- (1) Establish a system of medical marijuana dispensaries;
- (2) Prohibit counties from enacting ordinances or rules to prohibit the use of land for medical marijuana dispensaries;
- (3) Amend the medical marijuana special fund to the medical marijuana registry and regulation special fund and to expand the permitted usage of funds to include establishing and regulating a system of medical marijuana dispensaries;
- (4) Provide that an owner or employee of a licensed marijuana dispensary shall have an affirmative defense to any prosecution involving marijuana pursuant to chapter 329, part IX, or chapter 712, Hawaii Revised Statutes;
- (5) Establishes several criminal offenses relating to dispensary premises, distribution of marijuana and marijuana products to minors, diversion, dispensary records, and extraction of tetrahydrocannabinol using flammable solvents;
- (6) Allows any licensed physician, rather than only the qualifying patient's primary care physician, to issue a written certification for the use of medical marijuana;
- (7) Appropriate an unspecified amount of general revenues into the medical marijuana registry and regulation special fund;
- (8) Appropriate an unspecified amount from the medical marijuana registry and regulation special fund to implement this measure, including the hiring of full time personnel;
- (9) Provide that by no later than July 1, 2016, the Department of Health is required to establish and commence a repayment plan for the general funds deposited into the medical marijuana registry and regulation special fund; and
- (10) Require the Director of Health to report and provide an informational briefing no later than March 15, 2016, to the Legislature regarding the implementation of medical marijuana dispensaries.

Your Committees received testimony in support of this measure from the Department of Health, Chamber of Commerce for People with Disabilities, Hawaii Advocates for Consumer Rights, Hawaii Cannabis Care, Hawaii Substance Abuse Coalition, American Civil Liberties Union Hawaii, Americans for Safe Access - Big Island Chapter, Capitol Consultants of Hawaii LLP, Community Alliance on Prisons, The Drug Policy Forum, Effective Change LLC, and forty-three individuals. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Office of the Prosecuting Attorney, County of Hawaii Police Department, City and County of Honolulu Police Department, County of Maui Police Department, Hawaii Catholics Conference, Hawaii Family Forum, Alternative Pain Management - Pu'uho'ou, Coalition for Drug Free Hawaii, and five individuals. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that Hawaii enacted a medical use of marijuana law to provide medical relief for seriously ill individuals in the State. Since that time, there has been no established system for qualifying medical marijuana patients to legally obtain medical marijuana if they are unable to grow it themselves. It is estimated that there are approximately 13,000 qualifying medical marijuana patients in the State and that a large portion of them are unable to grow their own marijuana. Your Committees find that this measure would establish a medical marijuana dispensary system that would enable qualifying medical marijuana patients to obtain marijuana legally.

Your Committees have amended this measure by:

- (1) Amending part II to create a new chapter, rather than a new part within chapter 321, of the Hawaii Revised Statutes to establish and regulate medical marijuana dispensaries;
- (2) Filling in various unspecified amounts and dates that existed in the prior version of this measure;
- (3) Inserting a new part VI, which creates a special general excise tax of twenty-five percent on marijuana sales by dispensaries and also a retail marijuana special sales tax of ten percent;
- (4) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (5) Making various technical, nonsubstantive amendments for the purposes of clarity and consistency and as requested by the Department of the Attorney General.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 321, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 321, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor

Ayes, 3; Ayes with Reservations (Espero). Noes, 1 (Slom). Excused, 3 (Gabbard, Ihara, Thielen).

Ways and Means

Ayes, 8. Noes, 2 (Kouchi, Slom). Excused, 1 (Harimoto).

SCRep. 1550 Ways and Means on H.B. No. 124

The purpose and intent of this measure is to require all-mail elections to be phased in across the State over three election cycles.

Your Committee received written comments in support of this measure from the Office of Elections, the Hawaii County Clerk, the Kauai County Clerk, the Disability and Communication Access Board, the League of Women Voters, and five individuals. Written comments in opposition to this measure were received from Common Cause Hawaii. Written comments on this measure were received from the Maui County Clerk, the City and County of Honolulu County Clerk, and one individual.

Your Committee finds that the administration of elections will be streamlined if all balloting is conducted by mail.

Your Committee notes that costs may be incurred in implementing this measure, among which include an estimated \$50,000 for each year of the 2015-2017 fiscal biennium for a high-speed scanner sorter and materials.

Your Committee has amended this measure by:

- (1) Adopting the several amendments proposed by the Office of Elections to successfully implement all-mail elections by addressing various operational issues, including:
 - (A) Amending, rather than repealing, section 11-91.5, Hawaii Revised Statutes (HRS), on federal, state, and county elections by mail;
 - (B) Adding language to the new part added to chapter 11, HRS, on procedures for conducting elections by mail, to authorize electronic transmission of ballots for voters who do not receive their mail ballot in a timely manner and do not have time to obtain a replacement ballot and adding a conforming amendment to section 15-5, HRS, to address the time period for counties that have not migrated to all-mail elections;
 - (C) Adding language to the amendments to sections 11-92.1 and 11-92.3, HRS, relating to election proclamations and responses to natural disasters, to address the implementation of all-mail elections while simultaneously operating the current system of elections;
 - (D) Restoring the language of section 11-184, HRS, to address the division of costs and responsibilities between the State and counties for elections that are not all-mail;
 - (E) Adding a new section to chapter 11, HRS, to address the division of costs and responsibilities between the State and counties for all-mail elections; and
 - (F) Adding a new section to chapter 11, HRS, to provide the State with electronic access to voter registration applications and signatures maintained by the counties; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 124, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 124, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Slom).

SCRep. 1551 Ways and Means on H.B. No. 581

The purpose and intent of this measure is to ensure that Medicaid patients have access to hospital care.

More specifically, the measure:

- (1) Continues the Hospital Sustainability Program for an additional year;
- (2) Specifies that the inpatient hospital sustainability fee shall not exceed 2.400 percent of net inpatient hospital service revenue;
- (3) Specifies that the Department of Health shall use moneys from the hospital sustainability program special fund to make direct supplemental uncompensated care and upper payment limit payments to private hospitals based on the amount made available by the State's section 1115 waiver to cover the uncompensated care costs incurred by private hospitals for serving Medicaid and uninsured individuals during fiscal year 2015-2016;
- (4) Specifies that level II trauma centers shall receive increased Medicaid reimbursements for each Medicaid day reported;
- (5) Specifies that specialty children's hospitals that are exempt from the inpatient and outpatient hospital sustainability fee assessments shall receive increased Medicaid reimbursements for each Medicaid discharge reported; and
- (6) Appropriates funds from the hospital sustainability program special fund for fiscal year 2015-2016.

Your Committee received written comments in support of this measure from The Chamber of Commerce of Hawaii, Hawaii Health Systems Corporation, the Hawaii Primary Care Association, the Healthcare Association of Hawaii, and The Queen's Health Systems.

Your Committee finds that Medicaid payments to hospitals continue to be less than the actual costs of the care that the hospitals provide. The Legislature created the Hospital Sustainability Program by enacting Act 217, Session Laws of Hawaii 2012, to increase Medicaid payments to hospitals to ensure that Medicaid patients have access to the hospital care that they need.

Accordingly, your Committee finds that continuing the Hospital Sustainability Program will benefit Hawaii residents by ensuring more sustainable hospitals and increased access to necessary medical care.

Your Committee has amended this measure by:

- (1) Specifying that the inpatient hospital sustainability fee shall be 1.892 percent of net inpatient hospital service revenue;
- (2) Providing that any hospital that was not in private operation during 2014 shall be exempt from hospital sustainability fees on inpatient and outpatient care services;
- (3) Providing that direct payments from the hospital sustainability program special fund to private hospitals shall be \$88,000,000 to cover uncompensated care costs;
- (4) Providing that direct payments from the hospital sustainability program special fund to designated level II trauma centers shall be \$3,975,442;
- (5) Clarifying that the Department of Health shall designate the level II trauma centers and specialty children's hospitals to which direct upper payment limit payments shall be made with hospital sustainability program special fund moneys;
- (6) Specifying that eligible hospitals shall receive payments from the hospital sustainability program special fund based on their medicaid utilization; and
- (7) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 581, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 581, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1552 Ways and Means on H.B. No. 1214

The purpose and intent of this measure is to appropriate funds to the Auditor to provide for the expenses of the state-county working group.

Your Committee received written comments on the measure from the Office of the Auditor.

Your Committee finds that the two-year state-county working group was established under Act 174, Session Laws of Hawaii 2014, and administratively placed within the Office of the Auditor to evaluate, among other things, the division of duties and responsibilities between the State and the counties relating to the provision of public services. The Act provided that reimbursements would be made to the working group members by the Auditor, based upon a request to the Legislature in 2015 and 2016 for an appropriation equal to the reimbursements made and expected to be made. Your Committee finds that reimbursements for travel and report production costs for fiscal year 2014-2015 were \$150,000, and it is estimated that the fiscal year 2015-2016 costs for consultant services, meetings, and final report production will increase to \$165,000.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion of the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1214, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1214, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1553 Ways and Means on H.B. No. 145

The purpose and intent of this measure as received by your Committee is to amend the tobacco tax laws.

Specifically, this measure:

- (1) Amends the definition of “tobacco products” to, among other things, remove the exceptions for cigarettes and little cigars and expressly include cigarettes;
- (2) Increases the excise tax for tobacco products, other than large cigars, sold on or after January 1, 2016; and
- (3) Deposits all excise tax revenues collected after December 31, 2015, for tobacco products, other than large cigars, into the Hawaii cancer research special fund.

Prior to the public hearing on the measure, a Proposed Senate Draft 2 (Proposed Draft) of the measure was circulated for public review and comment.

The purpose and intent of the Proposed Draft is to add a new part to the measure that increases the excise tax for large cigars sold after December 31, 2015. The Proposed Draft has an effective date of July 1, 2050.

Your Committee received testimony for both the measure as received and the Proposed Draft.

For the measure as received, your Committee received testimony in support from the Department of Health, the American Cancer Society Cancer Action Network, and one individual. Testimony in opposition to the measure was received from the Cigar Association of America, Inc.; Hawaii Smokers Alliance; Retail Merchants of Hawaii; and 257 individuals. Written comments on the measure were received from the Tax Foundation of Hawaii and five individuals.

For the Proposed Draft, your Committee received testimony in support from the University of Hawaii, Hawaii Cigar Association, Kauai Cigar Company, Cigar Rights of America, and two individuals. Testimony in opposition to the measure was received from the Department of Health; American Cancer Society Cancer Action Network; American Lung Association in Hawaii; Cigar Association of America, Inc.; IPCPR; Retail Merchants of Hawaii; VOLCANO eCigs; and 387 individuals. Written comments on the measure were received from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that tobacco products other than cigarettes are presently taxed at a lower rate than the tax for cigarettes, even though they are as similarly addictive and dangerous as cigarettes. It appears that the lower tax rates make these tobacco products an attractive alternative to cigarettes for smokers. Research findings indicate that after the cigarette tax was increased in 2006, sales of cigarettes have decreased steadily, but simultaneously, smokers have been switching from cigarettes to other types of tobacco products and electronic smoking devices. Your Committee believes that the taxes imposed under this measure will create parity between the tax on cigarettes and the tax on other tobacco products.

Your Committee recognizes that the effect of depositing all revenues for the excise tax imposed upon the sale of tobacco products, other than large cigars, to the credit of the Hawaii cancer research special fund will have a corresponding reduction in the amount of tax revenues that would otherwise be credited to the general fund. Your Committee finds that further discussion is needed on the funding mechanisms for programs such as cancer research and that this issue should to be addressed as the measure moves into conference.

Your Committee notes that the definition of “tobacco products” in both the measure as received and the Proposed Draft may be contradictory, as raised in the testimony on the Proposed Draft received from the Department of Taxation and confirmed in correspondence from the prior Committee, and may subject cigarettes and little cigars to a double taxation, specifically, the sixteen cents tax per cigarette or little cigar under the existing section 245-3(a)(11), Hawaii Revised Statutes, and the eighty per cent of the wholesale price of a tobacco product under the proposed new section 245-3(a)(13), Hawaii Revised Statutes. Your Committee believes that this issue also needs to be resolved in conference.

After careful consideration of both the measure as received by your Committee and the Proposed Draft, your Committee has amended the measure by adopting the Proposed Draft and by further amending it by:

- (1) Changing the excise tax percentage for tobacco products, other than large cigars, and both the excise tax amounts and percentages for large cigars to unspecified amounts and percentages;
- (2) Changing to an unspecified amount, the amount of the excise tax revenues for tobacco products, other than large cigars, that are deposited to the credit of the Hawaii cancer research special fund; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 145, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 145, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Harimoto). Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Slom).

SCRep. 1554 Ways and Means on H.B. No. 540

The purpose and intent of this measure is to extend the authority of the University of Hawaii to maintain a separate accounting and financial management system that is compatible with the State of Hawaii accounting and financial systems.

Your Committee received written comments in support of this measure from the Department of Education and the University of Hawaii.

Your Committee finds that Act 321, Session Laws of Hawaii 1986, among other things, granted the University of Hawaii authority to implement its own accounting system, in conformity with generally accepted accounting principles as applied to colleges and universities. Pursuant to this authority, the University of Hawaii developed and has been using its own financial management system, the most recent version of which is the Kualii Financial System. Your Committee notes that the Kualii Financial System, which was developed with and is supported by a consortium of universities, accommodates the unique reporting, regulatory, and accreditation needs of the University of Hawaii, while also providing the compatibility necessary to fulfill the reporting requirements of the Department of Accounting and General Services.

Your Committee also finds that the amendments made to sections 40-1(b), 40-2, 40-4, 40-6, 40-58, and 40-81, Hawaii Revised Statutes, by this measure do not conflict with amendments made to those statutes by House Bill No. 1412, H.D. 2, S.D. 1. If both of these measures are passed by the Legislature during the Regular Session of 2015, the Revisor of Statutes will be able to harmonize the amendments made to those sections of law by both measures.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 29, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 540, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 540, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1555 Ways and Means on H.B. No. 10

The purpose and intent of this measure is to support student health.

More specifically, this measure:

- (1) Authorizes students with diabetes to self-test and self-manage their diabetes;
- (2) Authorizes Department of Education employees and trained volunteers, in an emergency situation, to administer auto-injectable epinephrine to students with anaphylaxis and insulin to students with diabetes;
- (3) Requires written certification from a student's physician, advanced practice registered nurse, or physician assistant stating that the student with diabetes may self-manage and self-administer medication pursuant to the student's medical management plan;
- (4) Requires the student's parent or guardian to provide the school with supplies necessary to administer insulin or auto-injectable epinephrine supplies and the school to store the supplies in a secure but accessible location; and
- (5) Requires the Department of Education to submit a report to the Legislature regarding implementation of this measure.

Your Committee received written comments in support of this measure from the Department of Health, Department of Education, American Diabetes Association, American Academy of Pediatrics, Hawaii State Teachers Association, Walgreens, and twelve individuals.

Your Committee finds that the number of students diagnosed with diabetes or who suffer from anaphylaxis is increasing in our public schools. Your Committee notes that some students may need routine assistance to properly administer their diabetes medication. Your Committee finds that this measure will help to ensure that students with diabetes or anaphylaxis are safe at school and properly situated to care for their health conditions.

Your Committee has amended this measure by:

- (1) Deleting references throughout the bill to a student's medical management plan; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 10, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 10, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Dela Cruz, Harimoto, Riviere, Ruderman).

SCRep. 1556 Ways and Means on H.B. No. 1440

The purpose and intent of this measure is to make an appropriation to support the Hawaii Keiki: Healthy and Ready to Learn program.

Your Committee received testimony in support of this measure from the University of Hawaii, Kapiolani Child Protection Center and the Sex Abuse Treatment Center, Hawaii Pacific Health, Project Vision Hawaii, and six individuals.

Your Committee finds that a growing body of research supports the effectiveness of school nurses in addressing chronic childhood conditions. Since July 2014, the Hawaii Keiki: Healthy and Ready to Learn program, in partnership with the Department of Education, has worked to increase access to healthcare for children by providing school health nursing and primary care services to public schools in five complex areas. Your Committee further finds that there are plans to expand the Hawaii Keiki: Health and Ready to Learn program to all fifteen Department of Education complex areas.

Your Committee believes that expansion of this program will make it possible to provide services that reflect the individual community health needs of each complex area. Your Committee finds that the registered nurses and advanced practice registered nurses currently in the schools are having a transformative effect by providing their schools with information on the kinds of health and wellness barriers that exist for their students. By making strategic decisions based on this data and laying the foundation for school-based community health services, private providers, funders, and other state agencies have now come to the table to focus on further expansion and sustainability.

Your Committee has amended this measure by changing the effective date to July 1, 2051, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1440, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1440, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 1557 (Majority) Ways and Means on H.B. No. 1366

The purpose and intent of this measure is to identify and acquire or build additional office space in urban Honolulu to accommodate state governmental agencies and offices.

Specifically, the measure:

- (1) Appropriates moneys to identify, plan, and acquire or build upon real property in urban Honolulu to provide office space for state governmental agencies and offices; and
- (2) Requires the Department of Accounting and General Services to undertake lease buyback processing under the program of centralized engineering and office leasing services, facilitate facility agreements between the State and private investors, and conduct an inventory of all leases of property to state agencies.

Your Committee received written comments in opposition to this measure from two individuals.

For purposes of a public hearing on this measure, your Committee circulated a Proposed Senate Draft 2 and notified the public that it would be accepting testimony on the proposed draft. The proposed draft deletes the contents of Senate Draft 1 and inserts language that appropriates moneys for:

- (1) The Department of Land and Natural Resources to plan for and acquire the leasehold interest in TMK (1) 2-1-017-008 and acquire the building thereon, known as Alii Place; and
- (2) The Department of Accounting and General Services to pay the first two years of debt service if and when the acquisition is accomplished.

Under the proposed draft, if the Department of Land and Natural Resources acquires the leasehold and building, the Department of Accounting and General Services will manage the property in accordance with section 26-6(b)(6), Hawaii Revised Statutes.

Your Committee received testimony in support of the proposed draft from the Department of Land and Natural Resources.

Your Committee finds that as recently as December 2014, the State was leasing approximately 420,888 square feet of office space in downtown Honolulu, costing approximately \$10,150,000 annually in lease rent. Your Committee further finds that, because of demands for services, many state agencies and offices are outgrowing existing office space and aging infrastructure. Your Committee believes that acquiring and developing Alii Place for state offices will benefit the State and the public by centralizing the location of state services and ultimately reducing the cost of providing office space for state agencies and offices.

Upon consideration, your Committee has adopted the proposed draft. In addition, your Committee has further amended this measure by:

- (1) Inserting the three tax map key numbers that apply to Alii Place; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that, during the public hearing on this measure, a member of your Committee commented that, as this measure moves forward, there should be a consideration of the funding source for maintenance costs for the building at Alii Place, including consideration of public-private partnerships. The member further observed that moneys need to be set aside for a repair and maintenance reserve and for capital renewal.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1366, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1366, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 1558 Ways and Means on H.B. No. 1471

The purpose and intent of this measure is to apply a fair and equitable taxation policy to all fossil fuels to advance Hawaii's clean energy, food security, and climate change policies.

More specifically, this measure:

- (1) Imposes the environmental response, energy, and food security tax on fossil fuel sold by a distributor to any retail dealer or end user;
- (2) Exempts coal used to fulfill a signed power purchase agreement between an independent power producer and an electric utility from the environmental response, energy, and food security tax on fossil fuel;
- (3) Authorizes an independent power producer to pass the environmental response, energy, and food security tax on fossil fuel to an electric utility, who may then recover the cost of the tax through an appropriate surcharge to the end user;
- (4) Authorizes a gas utility to recover the cost of the environmental response, energy, and food security tax on fossil fuel without further approval by the Public Utilities Commission; and
- (5) Defines the terms “barrel” and “fossil fuel.”

Your Committee received written comments in opposition to H.B. No. 1471, H.D. 2, S.D. 1 from Hawaiian Electric Company, Inc. Your Committee received written comments on the S.D. 1 from AES Hawaii and the Tax Foundation of Hawaii.

For purposes of a public hearing, your Committee circulated a proposed Senate Draft 2 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which addresses the funding of government programs.

More specifically, the Proposed Draft:

- (1) Deletes the contents of the measure as received by your Committee;
- (2) Provides for the transfer of moneys from the environmental response revolving fund into the general fund if the ending balance exceeds a certain amount at the end of a fiscal year, and deletes provisions requiring certain positions to be funded by the environmental response revolving fund;
- (3) Makes an appropriation to the Legislative Reference Bureau for the updating of its 2002 invasive species study;
- (4) Forces the lapse of certain appropriations for fiscal year 2014-2015 that are not expected to be expended; and
- (5) Re-appropriates some of the lapsed appropriations.

Your Committee received written comments in support of the Proposed Draft from the Department of Business, Economic Development, and Tourism; Department of Taxation; Department of Land and Natural Resources; and Department of Health. Your Committee received written comments on the Proposed Draft from the Hawaii Strategic Development Corporation.

Your Committee finds that changing the source of financing for certain positions from the environmental response revolving fund to the general fund may make the environmental response revolving fund more financially sustainable. Your Committee also finds that the Legislative Reference Bureau’s invasive species study, “Filling the Gaps in the Fight Against Invasive Species” was instrumental in shaping the State’s strategy for invasive species prevention, control, research, and outreach. As it has been over a decade since the report was issued, your Committee believes that an appropriation to conduct an update of the study will assist the State in its fight against invasive species.

Your Committee also finds that this measure enables the savings of the forced lapses to be identified as part of the carryover balance for fiscal year 2014-2015 in the state financial plan. Your Committee believes that this approach is more efficient than allowing the unexpended and unencumbered amounts to lapse. Your Committee notes that the lapsing, repeal, or reduction of the appropriations for fiscal year 2014-2015 by this measure is not intended to reduce the base budget of the affected programs. Your Committee also believes that the re-appropriation of these lapsed moneys, to be used only if the required general fund appropriations are lapsed, allow for the moneys to be appropriately and efficiently used.

Your Committee has amended this measure by adopting the Proposed Draft with the following further amendments:

- (1) Deleting the language that designated the Department of Business, Economic Development, and Tourism as the expending agency for general fund moneys that are being deposited into the Hawaii strategic development corporation revolving fund for the HI-Growth Initiative;
- (2) Appropriating \$5,000,000 out of the Hawaii strategic development corporation revolving fund for the HI-Growth Initiative to be expended by the Hawaii Strategic Development Corporation;
- (3) Adding language to preserve from repeal on June 30, 2030, the amendments being made to section 128D-2, Hawaii Revised Statutes, by this measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1471, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1471, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1559 Ways and Means on H.B. No. 1354

The purpose and intent of this measure is to appropriate moneys to various public sector housing development and management agencies to improve the quality of existing public and affordable housing stock and increase the supply of affordable and public housing units in the State.

More specifically, this measure appropriates funds:

- (1) To improve the existing public housing stock and increase the supply of public housing units in the State;
- (2) For the purposes set forth in section 201H-202, Hawaii Revised Statutes;
- (3) For the development of infrastructure and improvements of on-site and off-site development;
- (4) For the construction of micro apartment housing units;
- (5) To construct housing for native Hawaiian beneficiaries on Department of Hawaiian Home Lands homestead land; and
- (6) To build affordable housing projects for veterans.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation; Chamber of Commerce Hawaii; Land Use Research Foundation of Hawaii; Hawaii Catholic Conference; Hawaii Primary Care Association; Catholic Charities Hawaii; Partners in Care; Building Industry Association of Hawaii; Hawaii Association of REALTORS; and Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the *2011 Hawaii Housing Planning Study*, almost fifty thousand new housing units must be built by 2016 to meet demand generated by changing demographics and economic conditions. Your Committee further finds that failure to produce sufficient units for low- and moderate-income households will create pent-up demand in these market segments. Your Committee believes that these appropriations will benefit residents of Hawaii by increasing the supply of housing units.

Your Committee has amended this measure by:

- (1) Deleting the appropriation to the Hawaii Public Housing Authority to improve the existing public housing stock and increase the supply of public housing units in the State, in recognition that your Committee has provided an appropriation for the Hawaii Public Housing Authority's state housing facilities in House Bill No. 1471, H.D. 2, S.D. 1 (2015); and
- (2) Requiring each department or agency that receives an appropriation in this measure to submit a report to the Legislature, prior to the Regular Sessions of 2016 and 2017, on the department's or agency's set-aside plan for the upkeep and maintenance of the housing facilities to be constructed pursuant to this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1354, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1354, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1560 (Majority) Ways and Means on H.B. No. 134

The purpose and intent of this measure is to address the county surcharge on state tax.

More specifically, this measure:

- (1) Extends the existing county surcharge on state tax, established by Act 247, Session Laws of Hawaii 2005, until December 31, 2027, with the opportunity for the Legislature to extend the county surcharge on state tax in two, ten-year increments, until no later than December 31, 2047;
- (2) Re-opens the opportunity for all counties to adopt an ordinance to establish a county surcharge on state tax, from July 1, 2015, to December 31, 2015;
- (3) Provides that, for a county with a rail transit project funded by a county surcharge on state tax:
 - (A) Prior to the expiration of the initial extension of the county surcharge on state tax to December 31, 2027, the Legislature may choose to extend the county surcharge on state tax up to an additional twenty years, in ten-year increments, through the adoption of a concurrent resolution for each extension; provided that each ten-year extension of the county surcharge on state tax shall be used to fund additional transit routes to the University of Hawaii at Manoa and West Kapolei, respectively; and
 - (B) Prior to the introduction of a concurrent resolution to extend the county surcharge on state tax, for each ten-year extension:
 - (i) The transit agency shall obtain all necessary state and federal environmental clearances for the applicable additional transit route for the rail transit project;
 - (ii) The transit agency shall have an updated financial plan reviewed and approved by the appropriate county council;
 - (iii) The transit agency shall have an updated preliminary engineering costs estimate reviewed and approved by the appropriate county council;
 - (iv) The Auditor shall have completed a financial and management audit of the transit agency; and
 - (v) Any other requirement that the Legislature, by law, deems appropriate shall be completed; and

- (4) Provides that, for other counties without a rail project, prior to the introduction of a concurrent resolution to extend the county surcharge on state tax, for each ten-year extension, the appropriate county council shall adopt a resolution requesting the extension, which shall include information and a financial plan on how the surcharge revenues will be used over the requested extension period.

Your Committee received testimony in support of this measure from the Mayor of the County of Maui, Mayor of the County of Kauai, a member of the Hawaii County Council, General Contractors Association of Hawaii, The Hawaii Chamber of Commerce, Hawaii Construction Alliance, Hawaii Government Employees Association, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii State AFL-CIO, Honolulu Authority for Rapid Transit, Board of Directors of the Honolulu Authority for Rapid Transportation, and forty-seven individuals. Your Committee received testimony in opposition to this measure from Time Out Honolulu Rail and six individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Mayor of the City and County of Honolulu, two members of the Kauai County Council, Building Industry Association - Hawaii, Grassroot Institute of Hawaii, Land Use Research Foundation of Hawaii, Tax Foundation of Hawaii, and one individual.

Prior to the public hearing on this measure, your Committee circulated for review and comment a proposed draft of this measure. The proposed draft amended the measure by deleting its contents and replacing it with language that:

- (1) Extends the sunset date of the county surcharge on state tax to December 31, 2027;
- (2) Provides counties that have not established a county surcharge on state tax with the ability to adopt a county surcharge on state tax; provided that the county adopts an ordinance to establish the surcharge by December 31, 2015. If the ordinance is adopted, the surcharge will be levied from January 1, 2017, until December 31, 2027;
- (3) Requires any county that has already adopted a county surcharge on state tax to adopt another ordinance and meet other requirements in order to extend its surcharge on state tax beyond December 31, 2022. If the ordinance is adopted, the surcharge will be extended from January 1, 2023, until December 31, 2027;
- (4) Deletes the authorization to use surcharge revenues for operating costs:
 - (A) For a locally preferred alternative for a mass transit project in a county with a population greater than five hundred thousand; and
 - (B) For public transportation systems, including public roadways or highways, public buses, trains, ferries, pedestrian paths or sidewalks, or bicycle paths, in a county with a population of five hundred thousand or less; and
- (5) Requires the board of directors of the transit agency constructing the locally preferred alternative for a mass transit project to:
 - (A) Conduct annual audits;
 - (B) Submit annual reports to the Legislature and the Governor on transit-oriented development initiatives, management and financial performance, and status reports submitted to the federal government; and
 - (C) Place audits and reports on the board's agenda and, in accordance with the sunshine law, take testimony on the audits and reports.

Your Committee received testimony in support of the proposed draft from the General Contractors Association of Hawaii, The Hawaii Chamber of Commerce, and Hawaii Government Employees Association of Hawaii. Your Committee received testimony in opposition to the proposed draft from one individual. Your Committee received comments on the proposed draft from the Department of Budget and Finance, Department of Taxation, Mayor of the City and County of Honolulu, Mayor of the County of Kauai, FACE Housing Task Force, Grassroot Institute of Hawaii, Hawaii Construction Alliance, Hawaii Regional Council of Carpenters, Honolulu Authority for Rapid Transportation, Board of Directors of the Honolulu Authority for Rapid Transportation, Kapolei Chamber of Commerce, Pacific Resource Partnership, and Tax Foundation of Hawaii.

Your Committee finds that Act 247, Session Laws of Hawaii 2005, authorized the counties to adopt a county surcharge on state general excise and use taxes to be effective until December 31, 2022. In counties with a population of greater than five hundred thousand, the surcharge would be used to provide a funding source for the operating or capital costs of a locally preferred alternative for a mass transit project, while in other counties, the surcharge would be used for public transportation. The City and County of Honolulu was the only county to adopt a surcharge on state tax, in accordance with Act 247, Session Laws of Hawaii 2005. The City and County of Honolulu subsequently established the Honolulu Authority for Rapid Transportation to oversee a rail transit project.

Your Committee also finds that the rail transit project of the Honolulu Authority for Rapid Transit (HART) has experienced significant financial difficulties that will result in a projected deficit of over \$900 million if no extension is granted and is calling into question the ability for them to complete the project on time. In discussions with HART, your Committee determined that if the end goal was to finish what had been started, in terms of the Full Funding Grant Agreement with the federal government, a five year extension would be sufficient to both cover costs and provide for contingencies. Your Committee also determined that if there was both the political and public will to seek out an extension to either the University of Hawaii at Manoa or Kapolei from the initial 20.1 mile transit line, the City and County of Honolulu would have both the legal authority and fiscal resources available to initiate the federal funding and environmental impact statement process as set forth in this measure.

Your Committee has amended this measure by replacing its contents with that of the proposed draft and has further amended it by:

- (1) Allowing a county with a population of five hundred thousand or less to use surcharge revenues for operating costs, as well as capital costs;
- (2) Expanding the definition of "capital costs" for counties with a population greater than five hundred thousand to also include non-recurring personal services and other overhead costs that are not intended to continue after the completion of construction of the minimum operable segment of the locally preferred alternative for a mass transit project;

- (3) Changing the effective date to July 1, 2015; and
- (4) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

Your Committee adopts by reference the statements made in Senate Standing Committee Report No. 898 on Senate Bill No. 19, S.D. 2, that are not inconsistent with this measure.

Your Committee notes that if the Department of Taxation determines that it requires additional resources to carry out its duties under the measure, as amended, the Department may request funds from the Legislature.

Your Committee intends that the expanded definition of “capital costs” will permit HART to use surcharge revenues to fund HART’s current activities to complete construction of the minimum operable segment. As used in this report and in the measure, as amended, “minimum operable segment” means the University of Hawaii-West Oahu to Ala Moana Center alignment of the rail transit project. Your Committee finds that HART’s personal services and other overhead costs would be eligible to be “project funded” if paid from bonds issued to finance a public infrastructure project. Thus, your Committee finds that such personal services and other overhead costs may be deemed nonrecurring “capital costs.”

Your Committee also intends that, under the existing definition of “capital costs,” HART may engage in planning and design for alignments of the rail transit project beyond the minimum operable segment. Your Committee does not intend that this measure limit HART’s planning and design effort to the minimum operable segment.

Your Committee expresses its strong concern that the City and County of Honolulu does not have an adequate and sustainable plan to fund the operating and maintenance cost of the integrated mass transit system. The City and County of Honolulu estimates that the integrated system will require a massive annual subsidy, recognizing that farebox revenues will not be sufficient to pay for the entire operating and maintenance cost of the integrated system. Yet, the City and County of Honolulu has not committed to using any specific revenue source for the subsidy. Your Committee feels that the financial plan to address the operating and maintenance cost is too general. Nor is your Committee encouraged by the discussion at the public hearing regarding the City and County of Honolulu’s admitted difficulty with formulating a viable and sustainable financial plan to address the operating and maintenance cost that does not depend on continued surcharge revenues. Your Committee warns the City and County of Honolulu that it should not rely on any future legislation that would extend the surcharge and allow the City and County of Honolulu to use the proceeds to fund the operating and maintenance cost of the integrated mass transit system.

Your Committee emphasizes that this measure is first and foremost meant to:

- (1) Assist the City and County of Honolulu and HART in finishing what they started -- completing construction of the minimum operable segment; and
- (2) Provide both the resources and flexibility to continue planning and design for the remainder of the locally preferred alternative alignment.

Finally, your Committee intends to monitor HART and the City and County of Honolulu on its efforts to complete the rail transit project. As indicated in this Report, your Committee supports the present project, yet is critical of the actions taken thus far by HART and the City and County of Honolulu. Your Committee intends to scrutinize HART and the City and County of Honolulu closely in order to ensure completion of the minimum operable segment within the resources provided under this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 134, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 134, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Riviere, Slom). Excused, 1 (Ruderman).

SCRep. 1561 Ways and Means on S.R. No. 126

The purpose and intent of this measure is to improve students’ access to nutritious foods in public educational institutions.

Specifically, the measure:

- (1) Encourages the Department of Education to establish the Hawaii Voluntary Farm to School Program by providing Complex Areas with the opportunity and option to purchase locally grown food for schools from food safety certified farms in the State; and
- (2) Requests that a farmer providing products to a Department of Education Complex Area’s Farm to School Program:
 - (A) Provide evidence that the farmer has an adequate supply of products to supply the Program for one year; and
 - (B) Be food safety certified and subject to all applicable state and federal safety regulations, inspections, and audits and maintain sufficient liability insurance.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, The Local Food Coalition, and two individuals. The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that farm to school programs improve the connection that communities have with fresh, nutritious food and local farmers by changing food purchasing and education practices at schools and preschools. Your Committee further finds that there are many challenges and successes that come with the implementation of a farm to school program, and that a statewide, one-size-fits-all approach may delay the implementation process. Your Committee believes that, by allowing individual Department of Education Complex Areas to implement a farm to school program, rather than requiring statewide implementation, this measure will allow a Complex Area with the resources to implement a farm to school program to partner with its local farmers without delay.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 126, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 1562 Agriculture on Gov. Msg. No. 501

Recommending that the Senate advise and consent to the nomination of the following:

CHAIRPERSON OF THE DEPARTMENT OF AGRICULTURE

G.M. No. 501 SCOTT ENRIGHT, for a term to expire 12-31-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Scott Enright to possess the requisite commitment, sincerity, dedication, and qualifications to be nominated as the Chairperson of the Board of Agriculture.

Your Committee received testimony in support of the nominee from Governor David Y. Ige; Department of Hawaiian Home Lands; Department of Human Services; Department of Budget and Finance; Department of Transportation; Department of Labor and Industrial Relations; Agribusiness Development Corporation; Office of Hawaiian Affairs; University of Hawaii at Hilo; Dow Agrosiences; Biotechnology Industry Organization; CropLife America; Hawaii Crop Improvement Association; Ulupono Initiative; G.I.S.T.C. Inc.; Hawaii Farm Bureau; PRL English, LLC; DuPont Pioneer; Hawaii Cattlemen's Council; Central Maui Soil and Water Conservation District; Carpenter & Carpenter, Inc.; Kunia Village Title Holding Corporation; Molokai Farm Bureau; South Oahu County Farm Bureau; Hawaii Fish Company; Tea Hawaii & Company; East Oahu County Farm Bureau; Building Industry Association-Hawaii; Young Brothers; 4 Ag Hawaii; Kulahaven Farms LLC; Monsanto Hawaii; Waikale Farms, Inc.; Pacific Mariculture Concepts, LLC; Hawaii Tropical Fruit Growers; Larry Jeffs Farms, LLC; Kamuela Vacuum Cooling Cooperative; Rosehill & Associates; Hamakua Agricultural Cooperative; Kauai Kunana Dairy; The Nature Conservancy of Hawaii; Syngenta Hawaii; Hawaiian Humane Society; Waimea Nui Community Development Corporation; Hawaii Island School Garden Network; KTA Superstores; Kauai Chamber of Commerce; Counter Culture Foods + Ferments; Meadow Gold Dairies; Hawaii Farmers and Ranchers United; Molokai Chamber of Commerce; Lalamilo Farm Lots Association; Hawaii Aquaculture & Aquaponic Association; Hawaii Pacific University; Chamber of Commerce Hawaii; Hawaii Agriculture Research Center; Big Island Dairy; Hawaii Pest Control Association; Hawaii Farmers Union United; Kunoa Cattle Company; Moloka'a Irrigation Cooperative; Kauai Taro Growers Association; Maui County Farm Bureau; and one hundred fifty-one individuals. Your Committee received testimony in opposition to the nominee from three individuals. Your Committee received comments from the Humane Society of the United States, Animal Rights Hawaii, and two individuals.

Mr. Enright earned a Bachelor's degree in Psychology and Philosophy from the University of Hawaii at Hilo. He subsequently enrolled in several courses in a Master of Science in Conflict Analysis and Resolution from George Mason University, but that degree has not yet been conferred. Throughout his career, Mr. Enright has lived and worked on each of the five major islands in the State, providing him with a wealth of experience in the agricultural industry in Hawaii. He served as the Orchard Superintendent for Kilauea Agronomic, managing field operations for a 500 acre guava orchard; as the Cultivation and Irrigation Superintendent for Hamakua Sugar Company, managing a 30,000 acre sugar plantation; as a Project Manager for ITC Water Management, Inc.; and as a Consultant to Cordon Technologies, LLC, planning and developing innovative agricultural techniques and conservation processes to increase food and energy independence and security on the Big Island. From 2012 through 2013, he served as Deputy to the Chairperson of the Board of Agriculture. He was appointed Chairperson of the Board of Agriculture in January of 2014.

Mr. Enright has also served on a number of commissions and boards in the community, including the Board of the Agribusiness Development Corporation, Community Development Plan Steering Committee for Hamakua District, Hilo-Hamakua Community Development Corporation Board, Environmental Management Commission for the County of Hawaii, and Hawaii State Governor's Council of Neighbor Islands Advisors for East Hawaii. He is currently the President of the National Association of State Departments of Agriculture. Along with Mr. Enright's tremendous leadership and managerial skills, his extensive experience in sustainable agriculture and water management makes him ideally suited to serve as Chairperson of the Board of Agriculture.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1563 Agriculture on Gov. Msg. No. 502

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY CHAIRPERSON OF THE DEPARTMENT OF AGRICULTURE

G.M. No. 502 PHYLLIS SHIMABUKURO-GEISER, for a term to expire 12-3-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Phyllis Shimabukuro-Geiser to possess the requisite commitment, sincerity, dedication, and qualifications to be nominated as the Deputy Chairperson of the Board of Agriculture.

Your Committee received testimony in support of the nominee from Governor David Y. Ige; Department of Budget and Finance; Department of Human Services; Department of Transportation; Department of Labor and Industrial Relations; Agribusiness Development Corporation; Ulupono Initiative; Hawaii Farm Bureau; Hawaii Aquaculture and Aquaponic Association; Hawaii Cattlemen's Council; Central Maui Soil and Water Conservation District; South Oahu County Farm Bureau; East Oahu County Farm Bureau; Building Industry Association-Hawaii; 4 Ag Hawaii; East Kauai Water Users Cooperative; Larry Jeffs Farms, LLC; Mikilua

Farm Center; Hawaii Agriculture Research Center; Kauai Chamber of Commerce; DuPont Pioneer; EM Hawaii, LLC; Maui County Farm Bureau; Pacific Mariculture Concepts, LLC; Waikele Farms, Inc.; PRL English, LLC; Hawaii Farmers and Ranchers United; and one hundred eighty-one individuals. Your Committee received testimony in opposition to the nominee from one individual.

Ms. Shimabukuro-Geiser earned a Bachelor of Science in Animal Science from the University of Hawaii at Manoa. She went on to earn a Master of Science in Avian Sciences from the University of California, Davis. With over thirty years' experience, Ms. Shimabukuro-Geiser's background in fresh egg production, management, and poultry feed has provided her with a wealth of knowledge in the poultry industry in Hawaii. Since 2009, she has served as the President of Mikilua Poultry Farm, Inc. in Waianae.

Ms. Shimabukuro-Geiser has also served on a number of boards and committees in the community, including the Hawaii Farm Bureau, Hawaii Egg Producers Cooperative, United States Department of Agriculture Farm Service Agency Hawaii State Committee, University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Veterinary Specialist Search Committee, and as a member-at-large for the Hawaii State Board of Agriculture. Ms. Shimabukuro-Geiser has also received recognition from the agriculture community as the first female recipient of the Hawaii Farm Bureau Federation Outstanding Member award.

Ms. Shimabukuro-Geiser's passion for and commitment to building sustainability, food resiliency, and quality of life for the people of Hawaii make her well-suited to serve as the Deputy Chairperson of the Board of Agriculture.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1564 Water and Land on Gov. Msg. Nos. 703 and 704

Recommending that the Senate advise and consent to the nominations of the following:

KOKEE STATE PARK ADVISORY COUNCIL

G.M. No. 703 MADELINE GUYETT, for a term to expire 6-30-2015; and

G.M. No. 704 MADELINE GUYETT, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Madeline Guyett to possess the requisite qualifications to be nominated to the Kokee State Park Advisory Council.

Your Committee received testimony in support of Madeline Guyett from the Department of Land and Natural Resources and two individuals.

Madeline Guyett graduated from California State University at Long Beach. She is currently the Accounting Manager for Hanalei Land Company LLC.

The nominee was appointed on an interim basis in 2014 to the Kokee State Park Advisory Council and previously served as Treasurer of the Save Kokee Board of Directors.

Madeline Guyett finds peace, beauty, and inspiration in Kokee, which is home for her and her ohana. She goes to Kokee State Park to learn and experience Ke Akua's bountiful blessings, hike in the natural landscape of the forests, and observe the many birds and other wildlife. She would like to keep Kokee's unique and natural beauty for others and future generations to enjoy.

Your Committee notes Ms. Guyett's written testimony in response to a question of why she would like to be a member of the Kokee State Park Advisory Council: "I would like to be a member of the KAC to participate and represent the many voices of our community while the approved master plan for Kokee State Park moves forward. I have been part of the evolution of the master plan and that as a community, we have worked with the State to honor the park and support the [Department of Land and Natural Resources'] efforts to make necessary improvements without compromising the fragile wilderness. The council worked carefully with the State to make revisions that satisfied all, with minimal exceptions. I have been present at many council meetings throughout this process."

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Ruderman, Slom).

SCRep. 1565 Ways and Means on Gov. Msg. No. 537

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF TAXATION

G.M. No. 537 JOSEPH KIM, for a term to expire 12-3-2018

Your Committee has reviewed the personal statement and resume submitted by Joseph Kim and had the opportunity to discuss with Mr. Kim his professional and educational background and plans for helping to lead the Department of Taxation.

Your Committee received testimony in support of the nomination of Mr. Kim as the Deputy Director of Taxation from representatives of the Office of the Governor, Department of Taxation, and seventeen individuals. Your Committee received testimony in opposition to the nomination from one individual.

Mr. Kim received his commission from the United States Air Force Academy in 1982 along with a Bachelor of Science degree in engineering mechanics. In 1990, he earned a Master's degree of business administration from City University. Most recently, Mr. Kim served as Deputy Adjutant General where he ran the day-to-day operations of the Hawaii State Department of Defense, including matters involving budgeting, personnel, facilities management, and legislative affairs.

Prior to serving as Deputy Adjutant General, Mr. Kim served in the United States Air Force where he became an accomplished T-38 Talon and KC-135 Strato-tanker Instructor Pilot. He also served as an Evaluator Instructor Aircraft Commander, Chief of Standardization/Evaluation, and Combat Crew Training School Instructor Pilot.

In 1993, Mr. Kim joined the Hawaii Air National Guard as a KC-135 pilot and progressed to Commander of the 203rd Air Refueling Squadron, Commander of the 154th Operations Group, Vice Commander of the 154th Wing, and Wing Commander of the 154th Wing. Mr. Kim's strong organizational and leadership skills as Wing Commander allowed him to effectively manage the operations, strategic planning, resources, facilities, and family support for the more than 1,950 Guard members and workers of the 154th Wing, the largest Wing in the Air National Guard. Additionally, Mr. Kim's leadership skills have been proven through his work as chair of the Financial Management Board, which oversees fiscal and human resource management for the entire Hawaii Air National Guard.

Mr. Kim brings to the Department of Taxation the experience of a war veteran, having served in the Kosovo Campaign and other overseas tours, and over thirty years of strong leadership and management experience. He has been described as a talented leader, a critical thinker, an effective organizer, an inspiration to co-workers and subordinates, extremely intelligent, hardworking, engaging, helpful, and collaborative.

Your Committee finds that Joseph Kim is qualified and able to serve as the Deputy Director of Taxation. Consequently, your Committee supports his confirmation as the Deputy Director of Taxation.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 1566 Water and Land on Gov. Msg. Nos. 705 and 706

Recommending that the Senate advise and consent to the nominations of the following:

NATURAL AREA RESERVES SYSTEM COMMISSION

G.M. No. 705 MARIE BRUEGMANN, for a term to expire 6-30-2018; and

G.M. No. 706 RONALD RAPANOT, SR., for a term to expire 6-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and find Marie Bruegmann and Ronald Rapanot, Sr., to possess the requisite qualifications to be nominated to the Natural Area Reserves System Commission.

MARIE BRUEGMANN

Your Committee received testimony in support of Marie Bruegmann from the Department of Land and Natural Resources, Conservation Council for Hawai'i, The Nature Conservancy, and two individuals.

Marie Bruegmann received a Bachelor of Science degree in Botany from Michigan State University and a Master of Science Degree in Botany from the University of Hawaii. She has been the Plant Recovery Coordinator for the United States Fish and Wildlife Service, Pacific Islands Fish and Wildlife Office, since December 2000.

Ms. Bruegmann oversees all aspects of plant recovery in Hawaii and the Pacific. She serves as the principle contact and liaison for the United States Fish and Wildlife Service, partnering with other agencies, organizations, native Hawaiian and Pacific Island groups, private interest groups, and the public, to develop and implement recovery programs to further the conservation and management of Hawaiian and Pacific plants, as well as develop guidelines and protocols for plant recovery actions. The nominee is also the current Chair of the Hawaii and Pacific Plants Recovery Coordinating Committee, a recovery team advising the Fish and Wildlife Service on plant recovery issues. She provides botanical expertise to other programs of the Fish and Wildlife Service regarding listing, critical habitat designations, and consultations with federal agencies. The nominee has extensive work experience in botanical and wildlife conservation that will be a great benefit to the Natural Area Reserves System Commission.

RONALD RAPANOT, SR.

Your Committee received testimony in support of Ronald Rapanot, Sr., from the Department of Land and Natural Resources, The Nature Conservancy, and one individual.

Ronald Rapanot, Sr., is a graduate of Molokai High School and is retired from the Maui Electric Company, after thirty-four years of service. The nominee currently serves on the Natural Area Reserves System Commission, was the first person from Molokai to serve on the Commission, and is seeking reappointment.

Mr. Rapanot loves to hunt and has extensive experience doing so on Molokai, where residents hunt for subsistence. Mr. Rapanot cares about animals and shares his hunting knowledge and experience with others.

According to testimony, Mr. Rapanot is very collaborative in seeking solutions to hunting issues and he always listens, offers important insights and expertise, and is respectful of all views.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Ruderman, Slom).

SCRep. 1567 Water and Land on Gov. Msg. Nos. 836, 837, and 838

Recommending that the Senate advise and consent to the nominations of the following:

KANE'OHE BAY REGIONAL COUNCIL

G.M. No. 836 JUDITH LEMUS, for a term to expire 6-30-2019;

G.M. No. 837 WAYNE TANAKA, for a term to expire 6-30-2015; and

G.M. No. 838 WAYNE TANAKA, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Judith Lemus and Wayne Tanaka to possess the requisite qualifications to be nominated to the Kaneohe Bay Regional Council.

JUDITH LEMUS

Your Committee received testimony in support of Judith Lemus from the Department of Land and Natural Resources, Hawaii Institute of Marine Biology, and Koolauoko Hawaiian Civic Club.

Judith Lemus received a Ph.D. degree in Biological Sciences from the University of Southern California and Master of Arts and Bachelor of Science degrees in Biology from the University of California Los Angeles. She is currently with the Hawai'i Institute of Marine Biology at the University of Hawai'i at Manoa as an Associate Specialist and Associate Director. Dr. Lemus has an extensive background in marine biology.

In her written response to the questionnaire, Ms. Lemus responded, "As a member of the faculty at the Hawaii Institute of Marine Biology, I have been asked to serve on the [Kaneohe Bay Regional Council] to represent the perspective of the scientists and educators at the primary academic research facility in Kaneohe Bay. Because I feel it is important for current scientific understanding to be considered in the implementation of the Kaneohe Bay Master Plan, I am happy to serve in this role on behalf of [the Hawaii Institute of Marine Biology]."

WAYNE TANAKA

Your Committee received testimony in support of Wayne Tanaka from the Department of Land and Natural Resources, Conservation Council for Hawaii, Office of Hawaiian Affairs, and two individuals.

Wayne Tanaka received a Juris Doctor degree from the William S. Richardson School of Law and a Bachelor of Science in General Engineering from Harvey Mudd College. He is currently with the Office of Hawaiian Affairs as a Public Policy Advocate. He advocates for policies that support the betterment of Native Hawaiians in the areas of environmental resources, traditional and cultural practices, ceded lands, and related topics. Mr. Tanaka has experience with the Department of Land and Natural Resources, Division of Aquatic Resources, as a Marine Law Fellow.

In his written response to the questionnaire, Mr. Tanaka responded, "I believe that my legal training and public policy background with respect to both Native Hawaiian interests and marine resource management will allow me to assist the Council in carrying out its statutory functions and responsibilities, including its responsibility as a state body to protect and enforce the traditional and customary rights of Native Hawaiians." In addition, Mr. Tanaka stated that, "As a long-time resident of Kāne'ohe, I have spent much of my life fishing and recreating within Kāne'ohe Bay. I feel that my familiarity with the bay and the various activities occurring within it will provide me with additional insight. . ."

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1568 Transportation on Gov. Msg. Nos. 806, 807, and 808

Recommending that the Senate advise and consent to the nominations of the following:

STATE HIGHWAY SAFETY COUNCIL

G.M. No. 806 CHAD TANIGUCHI, for a term to expire 6-30-2019;

G.M. No. 807 GORDON HONG, for a term to expire 6-30-2019; and

G.M. No. 808 JOHN GOODY, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Chad Taniguchi, Gordon Hong, and John Goody to possess the requisite qualifications to be nominated to the State Highway Safety Council.

CHAD TANIGUCHI

Your Committee received testimony in support of Chad Taniguchi from the Department of Transportation and Department of Transportation Services of the City and County of Honolulu.

Chad Taniguchi received a Juris Doctorate from the William S. Richardson School of Law and earned a Bachelor of Arts in Liberal Studies.

Mr. Taniguchi is the Executive Director of the Hawaii Bicycling League, a post he has held since 2010.

In addition, Mr. Taniguchi is currently a member of the State Highway Safety Council, Honolulu Mayor's Advisory Committee on Bicycling, and Association of Pedestrian & Bicycle Professionals.

GORDON HONG

Your Committee received testimony in support of Gordon Hong from the Department of Transportation.

Gordon Hong received a Bachelor of Business Administration degree from the University of Hawaii at Manoa, with a major in Personnel Industrial Relations.

Mr. Hong worked for the Department of Transportation for over twenty years as a Highway Safety Manager, Safe Community Coordinator, and Highway Safety Specialist.

Mr. Hong currently serves on the State Highway Safety Council.

JOHN GOODY

Your Committee received testimony in support of John Goody from the Department of Transportation and Department of Transportation Services of the City and County of Honolulu.

John Goody received a Bachelor of Science in Electrical Engineering from Duke University, Master of Science in General Management from the United States Naval Postgraduate School, and a Master of Urban and Regional Planning from the University of Hawaii. He is a retired United States Marine Corps officer.

Mr. Goody served on the Hawaii Bicycling League Board of Directors at various times between 1999 and 2012. He is currently on the Mayor's Advisory Committee on Bicycling and City and County of Honolulu Transportation Commission.

As affirmed by the records of votes of the members of your Committee on Transportation that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Espero, Kidani).

SCRep. 1569 Transportation on Gov. Msg. Nos. 645, 709, 710, 711, 712, and 713

Recommending that the Senate advise and consent to the nominations of the following:

MEDICAL ADVISORY BOARD

G.M. No. 645 OSCAR DELLINGER, MD, for a term to expire 6-30-2019;

G.M. No. 709 KLEBERT JONES, MD, for a term to expire 6-30-2017;

G.M. No. 710 ALAN STEIN, MD, for a term to expire 6-30-2018;

G.M. No. 711 JOHN CORBOY, MD, for a term to expire 6-30-2018;

G.M. No. 712 JUDITH DICKERT, MD, for a term to expire 6-30-2015; and

G.M. No. 713 JUDITH DICKERT, MD, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Oscar Dellinger, MD; Klebert Jones, MD; Alan Stein, MD; John Corboy, MD; and Judith Dickert, MD, to possess the requisite qualifications to be nominated to the Medical Advisory Board.

OSCAR DELLINGER, MD

Your Committee received testimony in support of Oscar Dellinger, MD, from the Department of Transportation.

Oscar Dellinger, MD, is the Chief Medical Officer at St. Francis Healthcare of Hawaii, where he directs patient care of hospice patients. He is also its Medical Director of the Inpatient Care Unit and Central Home Care Team. His responsibilities include oversight and administration of the medical staff, as well as community outreach and education. Dr. Dellinger also has extensive experience in Geriatric Medicine.

KLEBERT JONES, MD

Your Committee received testimony in support of Klebert Jones, MD, from the Department of Transportation.

Klebert Jones, MD, is retired from thirty years of practice in psychiatry in Hawaii. He has experience in every aspect of adult, child, and adolescent mental health in Hawaii. Dr. Jones feels there is a need to provide an important service on the Medical Advisory Board so that disabled people who need medical clearance may obtain a driver's license. He believes the disabled deserve a fair evaluation in their pursuit of a driver's license.

ALAN STEIN, MD

Your Committee received testimony in support of Alan Stein, MD, from the Department of Transportation.

Alan Stein, MD, is the Director of Epilepsy and Neurophysiology at The Queen's Medical Center. Dr. Stein has been a practicing neurologist specializing in epilepsy in Hawaii since 1998. He has also served as chair of the Professional Advisory Board of the Epilepsy Foundation of Hawaii and president and treasurer of the Hawaii Neurological Society. He is well versed in the literature regarding driving restrictions and driving risks related to neurological diseases.

JOHN CORBOY, MD

Your Committee received testimony in support of John Corboy, MD, from the Department of Transportation.

Dr. John Corboy is a former staff ophthalmologist at the Kaiser Permanente Medical Group. He also served as the Surgeon/Director of the Hawaiian Eye Center, and Director of the Hawaiian Eye Surgicenter. He is currently the president of the Hawaiian Eye Foundation, a non-profit, charitable corporation.

JUDITH DICKERT, MD

Your Committee received testimony in support of Judith Dickert, MD, from the Department of Transportation.

Judith Dickert, MD, holds the rank of Colonel in the Medical Corps, United States Army. She is Chief of the Department of Medicine and Director of Medical and Critical Care Product Lines at Tripler Army Medical Center (Tripler) in Honolulu. She is also on the staff of the Endocrinology and Metabolism Service at Tripler, dealing with chronic and acute disease in adults.

As affirmed by the records of votes of the members of your Committee on Transportation that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Espero, Kidani).

SCRep. 1570 Water and Land on Gov. Msg. Nos. 813, 815, and 816

Recommending that the Senate advise and consent to the nominations of the following:

LAND USE COMMISSION

G.M. No. 813 ARNOLD K.H. WONG, for a term to expire 6-30-2018;

G.M. No. 815 KENT M. HIRANAGA, for a term to expire 6-30-2016; and

G.M. No. 816 LINDA ESTES, for a term to expire 6-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Arnold K.H. Wong, Kent M. Hiranaga, and Linda Estes to possess the requisite qualifications to be nominated to the Land Use Commission.

ARNOLD K.H. WONG

Your Committee received testimony in support of Arnold K.H. Wong from the State Land Use Commission; Hawaii LECET; ILWU Local 142; Carpet, Linoleum and Soft Tile Union 1926 Market Recovery Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; International Union of Painters and Allied Trades District Council 50; Hawaii Government Employees Association; Hawaii State AFL-CIO; Masters, Mates & Pilots Union; Hawaii State Teachers Association; and seven individuals.

Arnold K.H. Wong received a Master's degree in Human Resource Management from the Hawaii Pacific University and a Management Certificate from the Wharton School of Business. He received a Bachelor's degree from the University of Hawaii.

The nominee is the Director of Government Affairs for the Ironworkers Union Stabilization Fund, Local 625. He has experience as a Government Grants Manager for The Nature Conservancy. He is currently a Trustee for the Ironworkers Union Trust Fund.

While serving as an Interim Land Use Commissioner, Mr. Wong was elected as Vice Chair and has become a proven leader on the Commission. According to testimony, Mr. Wong acts with decorum and respect during proceedings, while still applying himself to the issue at hand, and is diligent and focused.

Mr. Wong believes that his main role as a Commissioner is to follow and uphold the public trust doctrine and protect our natural resources, which includes protecting and preserving what little of our conservation lands we have and our watersheds. He would ensure that all sides are given a fair opportunity to present their opinions, case, and information to the Commission and, as such, review and take in all positions fairly and with equal respect before making a decision.

KENT M. HIRANAGA

Your Committee received testimony in support of Kent M. Hiranaga from the State Land Use Commission; Department of Planning, County Of Maui; Hawaii Farm Bureau; Tanaka Engineers Inc.; Kaanapali Beach Hotel; Maui County Farm Bureau; ILWU Local 142; and nine individuals.

Kent M. Hiranaga attended Indiana University, Bloomington, Indiana and the University of Hawaii at Manoa. He is currently with Maui Kai Realty in Paia, Maui.

Mr. Hiranaga has been serving on the Land Use Commission and the Maui Cost of Government Commission since 2014. He has served as a member of the Maui Planning Commission, Maui Board of Water Supply, and Maui Board of Variances and Appeals.

According to testimony, Mr. Hiranaga has been an Interim Commissioner for several months and has shown himself to be a valuable and thoughtful Commissioner. With deep roots in the Maui community, he has been a good advocate for Maui and is well aware of the implications of the decisions of the Land Use Commission. His experience on the Planning Commission for Maui also provides insights into Maui County needs and requirements and what planned growth means for the counties in relation to state policy.

Mr. Hiranaga believes that Hawaii is a very special place in this world and that its resources, including prime agricultural lands, must be carefully managed, preserved, and protected. Being a member of the Land Use Commission provides him with a means to contribute to the improvement of the quality of life of Hawaii's residents.

LINDA ESTES

Your Committee received testimony in support of Linda Estes from the State Land Use Commission and seven individuals.

Linda Estes received a Master of Science degree in Public Administration, a Master of Arts degree in Recreation Administration, and a Bachelor of Arts degree in Health, Physical Education and Recreation from the University of New Mexico. She is retired from the University of New Mexico where she was the Associate Director of Intercollegiate Athletics for twenty-five years. She moved to Koloa upon retirement. Ms. Estes received numerous awards in New Mexico for her involvement in collegiate sports, including the naming of the Linda Estes University of New Mexico Tennis Complex in 2009.

Ms. Estes believes that her role as a Commissioner is to be informed, fair, and unbiased in the land use decisions she would be making. She has no preconceived ideas or opinions and seeks to be well-informed, conscientious, and productive.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1571 Water and Land on Gov. Msg. No. 821

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION ON WATER RESOURCE MANAGEMENT

G.M. No. 821 DENISE ANTOLINI, for a term to expire 6-30-2015

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Denise Antolini to possess the requisite qualifications to be nominated to the Commission on Water Resource Management.

Your Committee received testimony in support of Denise Antolini from the Department of Land and Natural Resources, Department of Hawaiian Home Lands, Office of Hawaiian Affairs, Koolaupoko Hawaiian Civic Club, Ahahui Malama I Ka Lokahi, Hawaiian Islands Land Trust, University of Hawaii Biology Alumni Association, Kanehili Cultural Hui, The Trust For Public Land, Aha Moku Advisory Committee, Koolau Foundation, Conservation Council For Hawaii, The Nature Conservancy, The Outdoor Circle, Hookipa Network – Kauai, Malama O Puna, Surfrider Foundation, Ai Pohaku, and numerous individuals.

Denise Antolini received a Juris Doctor degree from the Boalt Hall School of Law, University of California at Berkeley, and a Master of Public Policy degree from the Graduate School of Public Policy at the University of California at Berkeley. She received a Bachelor of Arts degree magna cum laude from Princeton University. She is the Associate Dean for Academic Affairs and Professor of Law at the William S. Richardson School of Law, University of Hawai'i at Manoa. Ms. Antolini teaches environmental law and is currently in the process of publishing *Hawai'i Environmental Law*.

The nominee is currently serving as an interim appointment for the Commission on Water Resource Management. She was also the Chair of the City and County of Honolulu Clean Water & Natural Lands Commission where she advised the Honolulu City Council on expenditures to support the acquisition of conservation land on Oahu.

As a practicing attorney, Ms. Antolini worked on several Water Code cases, including as the lead attorney for community groups in the landmark Waiahole water case. She has also worked on cases related to ground water management area designation, well permits, Native Hawaiian rights, and public trust doctrine issues related to water resources.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 1572 Water and Land on Gov. Msg. Nos. 833 and 834

Recommending that the Senate advise and consent to the nominations of the following:

KAHO'OLAWA ISLAND RESERVE COMMISSION

G.M. No. 833 CARMEN HULU LINDSEY, for a term to expire 6-30-2019; and

G.M. No. 834 MICHELE MCLEAN, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Carmen Hulu Lindsey and Michele McLean to possess the requisite qualifications to be nominated to the Kaho'olawe Island Reserve Commission.

CARMEN HULU LINDSEY

Your Committee received testimony in support of Carmen Hulu Lindsey from the Aha Moku Advisory Committee, Hoomana Pono LLC, Koolau Foundation, and four individuals.

Ms. Lindsey is a Native Hawaiian cultural practitioner. As a sitting Trustee on the Board of Trustees of the Office of Hawaiian Affairs, she has served with fairness, attention to detail, and integrity. She works well with members of the Aha Moku Advisory Committee and has an extensive knowledge of the history of Kahoolawe and Maui in regard to culture and sustainability of the natural and cultural resources. She brings this commitment and love for her people to the Commission.

According to testimony, Ms. Lindsey has shown that she is accessible, listens well, and makes thoughtful and appropriate decisions that are beneficial to the Hawaiian people. This is reflected in her work as a Trustee for the Office of Hawaiian Affairs. Further, as a resident of Maui, she is close to the people there and understands the special relationship between the traditional and generational Native Hawaiian practitioners who are attached to Kaho'olawe through the Honu'ula Moku.

MICHELE MCLEAN

Your Committee received testimony in support of Michele McLean from the Kaho'olawe Island Reserve Commission and twelve individuals.

Michele McLean received a Bachelor of Arts degree in Political Science from Vassar College. She did graduate studies in the Master of Business Administration program at the University of Phoenix in Wailuku, Maui.

Ms. McLean is the Deputy Planning Director for the County of Maui. Since Ms. McLean has previously worked as the Deputy Director and Policy Advisor for the Kaho'olawe Island Reserve Commission for more than five years, she is thoroughly familiar with its day-to-day operations, including administrative, policy, and program operations. She believes the role of the Commission is to continue to expand the safe and meaningful access to Kaho'olawe for all of Hawaii's people and to continue to improve relationships with stewardship organizations, including the Protect Kaho'olawe 'Ohana. The nominee also wishes to work with the many stakeholders to begin implementation of *I Ola Kanaloa! A Plan for Kanaloa Kaho'olawe through 2026*.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 1573 Hawaiian Affairs on Gov. Msg. No. 740

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 740 DOREEN CANTO, for a term to expire 6-30-2019

Your Committee has reviewed the resume and responses to questions submitted by the nominee and finds Doreen Canto to possess the requisite qualifications to be nominated to the Hawaiian Homes Commission.

Your Committee received testimony in support of the nomination of Doreen Canto from the Department of Hawaiian Home Lands, Aha Moku Advisory Committee, Panaewa Hawaiian Home Lands Community Association, Paukukalo Hawaiian Homes Community Association, and twenty-eight individuals.

Upon review of the testimony, your Committee finds that Ms. Canto's background, experience, and dedication to public service make her a qualified appointment to the Hawaiian Homes Commission. Your Committee notes that Ms. Canto has served on the Hawaiian Homes Commission for the past two years. Ms. Canto's career has been described as fully committed to the betterment of the Hawaiian community. Your Committee believes that Ms. Canto's experience and her commitment to the Hawaiian community are valuable assets for the Hawaiian Homes Commission.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 1574 Hawaiian Affairs on Gov. Msg. No. 741

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 741 KATHLEEN P. CHIN, for a term to expire 6-30-2017

Your Committee has reviewed the resume and responses to questions submitted by the nominee and finds Kathleen P. Chin to possess the requisite qualifications to be nominated to the Hawaiian Homes Commission.

Your Committee received testimony in support of the nomination of Kathleen P. Chin from the Department of Hawaiian Home Lands; Aha Moku Advisory Committee; Fun Factory, Inc.; Kaupae Homestead Association; and twenty-one individuals.

Upon review of the testimony, your Committee finds that Ms. Chin's background, experience, and dedication to public service qualify her for appointment to the Hawaiian Homes Commission. Your Committee notes that Ms. Chin is a homesteader and that the Department of Hawaiian Home Lands testified that she is often asked to serve as its representative at many events on Kauai. Further, your Committee recognizes Ms. Chin's role as the Executive Administrator for the Chief Executive Officer and Board of the Kauai Island Utility Cooperative. The knowledge and background she brings from that role will be a valuable asset to the Hawaiian Homes Commission.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 1575 Hawaiian Affairs on Gov. Msg. No. 742

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 742 MICHAEL KAHIKINA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and response submitted by the nominee and finds Michael Kahikina to possess the requisite qualifications to be nominated to the Hawaiian Homes Commission.

Your Committee received testimony in support of the nominee from the Department of Hawaiian Home Lands, Aha Moku Advisory Committee, Association of Hawaiians for Homestead Lands, Waianae Coast Comprehensive Health Center Native Hawaiian Learning Center, Sovereign Councils of the Hawaiian Homelands Assembly, Waiehu Kou Phase III Association, Waiohuli Undivided Interest Lessees Association, Waianae Kai Hawaiian Homestead Association, Waiehu Kou IV, Waiohuli Hawaiian Homestead Association, Princess Kahanu Estates Association, Nanakuli Hawaiian Homestead Community Association, Keokea Homestead Farm Lots Association, Kapaakea Homestead Association, Kaupea Homestead Association, Kalawahine Streamside Association, Villages of Lealii Association, Kaimiloa One Alii Homesteaders Community, and thirty-five individuals. Your Committee received testimony in opposition to the nominee from twelve individuals.

Upon review of the testimony, your Committee finds that Mr. Kahikina's background and dedication to public service make him a qualified candidate to serve on the Hawaiian Homes Commission. Your Committee notes that Mr. Kahikina has twelve years of experience as a member of the State House of Representatives where he chaired the Committee on Housing and Human Services and the Legislative Hawaiian Caucus. Further, Mr. Kahikina currently is Executive Director of Kahikolu Ohana Hale O Waianae where he manages homeless transitional units and affordable housing units in the Waianae area. This background gives Mr. Kahikina a unique insight into many of the issues faced by beneficiaries of the Hawaiian Homes Commission.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 1576 Judiciary and Labor on Gov. Msg. No. 554

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION TO PROMOTE UNIFORM LEGISLATION

G.M. No. 554 KEN TAKAYAMA, for a term to expire 6-30-2019

Your Committee received testimony in support of this measure from the Department of the Attorney General and four individuals.

Upon review of the testimony, your Committee finds that Mr. Takayama's background and dedication qualify him for reappointment to the Commission to Promote Uniform Legislation. Your Committee notes that, if confirmed, this would be Mr. Takayama's sixth term on the Commission to Promote Uniform Legislation.

Mr. Takayama has significant legal and legislative experience, having served as a Staff Judge Advocate in the Hawaii Army National Guard, Staff Attorney for the Legal Aid Society of Hawaii, and Staff Attorney, Assistant Director, and Director of the Legislative Reference Bureau. This experience has enabled Mr. Takayama to make valuable contributions to the Commission because commissioners not only participate in the drafting of uniform acts, but also work with the Legislature to get uniform acts enacted.

Your Committee also notes testimony from the Attorney General regarding Mr. Takayama's dedication to the Commission to Promote Uniform Legislation, to the extent that he travelled to the annual meetings even during times when fiscal constraints prevented him from being reimbursed for his expenses.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1577 Judiciary and Labor on Gov. Msg. No. 613

Recommending that the Senate advise and consent to the nomination of the following:

DEFENDER COUNCIL

G.M. No. 613 THOMAS OTAKE, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Thomas Otake to possess the requisite qualifications to be nominated to serve on the Defender Council.

Your Committee received testimony in support of the nomination of Thomas Otake from the Office of the Public Defender.

Mr. Otake received his Bachelor of Arts degree from Pacific University and received his Doctorate of Jurisprudence from the William S. Richardson School of Law at the University of Hawaii at Manoa. After graduating from law school, he served as a Law Clerk for Circuit Court of the First Circuit Retired Judge Marcia Waldorf. From 2003 to 2007, he served as a Deputy Public Defender and appeared before the Intermediate Court of Appeals, Circuit Court, Family Court, and District Court. Since 2007, he has been a private criminal defense attorney practicing in Honolulu.

Of particular note, in 2011, Mr. Otake received the Extra Mile Award, which is given annually by the Federal Public Defender's Office to a private criminal defense attorney who, through the attorney's actions or deeds, demonstrates the dedication to go the "extra mile" in representing or assisting a client in federal court. He was previously selected by the District Court of Hawaii Federal Court Judges to be Hawaii's attorney representative at the 2014-2015 Ninth Circuit Conference.

According to testimony in support of Mr. Otake's nomination, his experience as a former Deputy Public Defender has allowed him to form a complete understanding of the criminal justice system and the Public Defender's essential role in that system. As a member of the Defender Council, he will assist the Office of the Public Defender in fulfilling its mission of zealous and effective representation of indigent persons charged with criminal offenses.

Your Committee finds that due to the nominee's experience in the criminal justice system, the State will benefit from Mr. Otake serving on the Defender Council. Your Committee further finds that Mr. Otake is eminently qualified, and his experience, knowledge, and skills will be invaluable to the Defender Council.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1578 Judiciary and Labor on Gov. Msg. No. 831

Recommending that the Senate advise and consent to the nomination of the following:

LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD

G.M. No. 831 MARIE C. LADERTA, for a term to expire 6-30-2016

Your Committee has reviewed the resume and response to questions submitted by the nominee and finds Marie C. Laderta to possess the requisite qualifications to be nominated to the Labor and Industrial Relations Appeals Board.

Your Committee received testimony in support of the nomination from ten individuals. Your Committee received testimony in opposition to the nomination from two individuals.

Upon review of the testimony, your Committee finds that Ms. Laderta's background, experience, and dedication to public service qualify her for appointment to the Labor and Industrial Relations Appeals Board. Your Committee notes that, from 2005 to 2010, Ms. Laderta served as the Director of Human Resources Development. Currently, Ms. Laderta serves as the Chief Adjudicator of the Administrative Driver's License Revocation Office. Ms. Laderta has received numerous awards, including the Department of Attorney General's Manager of the Year award in 2002.

Your Committee finds that Ms. Laderta's sixteen years of state employment experience, adjudication skills, experience working with a wide range of individuals, and tireless work ethic qualify her for appointment to the Labor and Industrial Relations Appeals Board.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1579 Judiciary and Labor on Gov. Msg. No. 832

Recommending that the Senate advise and consent to the nomination of the following:

HAWAII LABOR RELATIONS BOARD

G.M. No. 832 KERRY KOMATSUBARA, for a term to expire 6-30-2018

Your Committee has reviewed the resume and responses to questions submitted by the nominee and finds Kerry Komatsubara to possess the requisite qualifications to be nominated to the Hawaii Labor Relations Board.

Your Committee received testimony in support of the nomination of Kerry Komatsubara from the Hawaii Fire Fighters Association, Hawaii State Teachers Association, United Public Workers – AFSCME Local 646 AFL-CIO, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Komatsubara's background, experience, and dedication to public service make him a qualified appointment to the Hawaii Labor Relations Board. Your Committee notes that Mr. Komatsubara has been a successful practicing attorney in Hawaii for over thirty years. For the past fifteen years, Mr. Komatsubara's practice has involved serving as a labor arbitrator for the Hawaii Labor Relations Board. In that capacity, Mr. Komatsubara has served upon being selected by the employer and employee. Your Committee finds that Mr. Komatsubara would bring appropriate knowledge, experience, and skills to the Hawaii Labor Relations Board.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1580 Human Services and Housing on H.C.R. No. 14

The purpose and intent of this measure is to recognize the fiftieth anniversary of the Older Americans Act and designate May as "Older Americans Month" in Hawaii.

Your Committee received testimony in support of this measure from the Executive Office on Aging, AARP Hawaii, and three individuals.

Your Committee finds that the Older Americans Act, which passed Congress in 1965, has been instrumental in improving the well-being of older persons across the country. Specifically, the Older Americans Act has helped deliver nutrition and social services to older persons, community service employment for low-income older Americans, and support for vulnerable elder rights protection. The Act has also fostered programs that help seniors live independently and established a nationwide "Aging Network" to assist older adults in meeting their needs and maintaining their well-being. Your Committee further finds that the Older Americans Act has provided programs and services for Native Hawaiian elders. Your Committee notes the importance of recognizing older persons in Hawaii, as the number of residents age sixty and over is projected to make up almost thirty percent of Hawaii's population by the year 2035.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 14, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1581 Government Operations on S.R. No. 72

The purpose and intent of this measure is to replace the term "African American" with the term "American of African Descent" in surveys conducted by the State of Hawaii.

Your Committee received testimony in support of this measure from one individual.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to:

- (1) Describe the rule making requirements for certain state and county agencies established under the Hawaii Administrative Procedure Act;
- (2) Specify that the Hawaii Administrative Procedure Act was enacted to establish procedures, ensure transparency, protect due process rights, and promote sound business practices;
- (3) Urge all agencies with rule making authority that are subject to the Hawaii Administrative Procedure Act to strictly adhere to the provisions set forth by the Hawaii Administrative Procedure Act during the rule making, amending, or repealing process, including rule making to modify rates paid by an agency to third parties; and
- (4) Amend the title to conform with the purpose of the measure.

Your Committee received testimony in support of the proposed S.D. 1 from one individual.

Your Committee finds that the Hawaii Administrative Procedure Act promotes transparency and protects the public's right to be heard and participate in the administrative rule making process. The notice requirements must be strictly followed in order to ensure that the public has an opportunity to receive notice of hearings, inform themselves on the subject matter, provide testimony, and attend the hearing. Government transparency and opportunity for public comment are democratic principles that must be upheld at all levels of government.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 72, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 72, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1582 Education on Gov. Msg. Nos. 602, 603, 604, 605, 606, and 610

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII TEACHER STANDARDS BOARD

- G.M. No. 602 BRANDEN KAWAZOE, for a term to expire 6-30-2018;
- G.M. No. 603 ROXANE STEWART, for a term to expire 6-30-2016;
- G.M. No. 604 LESLIE MURASHIGE, for a term to expire 6-30-2015;
- G.M. No. 605 LESLIE MURASHIGE, for a term to expire 6-30-2018;
- G.M. No. 606 KARIANE PARK TOYAMA, for a term to expire 6-30-2017; and
- G.M. No. 610 STEVE NAKASATO, for a term to expire 6-30-2016

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Branden Kawazoe, Roxane Stewart, Leslie Murashige, Kariane Park Toyama, and Steve Nakasato to possess the requisite qualifications to be nominated to the Hawaii Teacher Standards Board.

BRANDEN KAWAZOE

Your Committee received testimony in support of Branden Kawazoe from the Hawaii Teacher Standards Board, Hawaii State Teachers Association, and two individuals.

Upon review of the testimony, your Committee finds that Branden Kawazoe's experience as an educator, counselor, and coach qualify him for appointment to the Hawaii Teacher Standards Board. Mr. Kawazoe is a Kaiser High School counselor and head varsity boys basketball coach. He has been the summer camp director at Assets School since 2012, where he was also a physical education teacher from 2010 to 2012. Mr. Kawazoe holds a Bachelor's degree in Business Administration from Pacific University and a Master's degree in Counseling Psychology from Chaminade University. He has a strong background in athletics with experience coaching men's basketball at all levels, including positions at Neal Armstrong Middle School, Iolani High School, and Pacific University. Mr. Kawazoe will bring a unique student-centered point-of-view to the Board. Your Committee further finds that Mr. Kawazoe has been appointed to the Hawaii Teacher Standards board as an educational officer member based on his experience working closely with students through athletics and school counseling which has given him a deep understanding of student needs and concerns.

ROXANE STEWART

Your Committee received testimony in support of Roxane Stewart from the Hawaii Teacher Standards Board, Hawaii State Teachers Association, and one individual.

Upon review of the testimony, your Committee finds that Roxane Stewart's expertise in curriculum development, science education, and working with diverse populations qualify her for appointment to the Hawaii Teacher Standards Board. Ms. Stewart is a curriculum and instruction specialist with the Kamaaha Education Initiative and fishpond manager and education specialist for Loko Ia O Hale O Lono. She holds a Bachelor's degree in Marine Science from the University of Hawaii at Hilo and a Master's degree in Marine Resource Monitoring and Education from Union Institute and University. Ms. Stewart was a Hawaii Community College lecturer from October 2012 through May 2013, and taught science at Ke Ana Laahana Public Charter School from 2003 through 2012, where she also spent six months as a temporary school administrator. Ms. Stewart has done field work with the Edith Kanakaole Foundation and has been involved in various curriculum development projects over the course of her career. Your Committee notes from Ms. Stewart's personal statement that she serves as chair for her school's teacher evaluation committee and has become skilled at examining, refining, and measuring standards, expectations, and evidence of teacher performance. Your Committee further finds that Ms. Stewart has been appointed to the Hawaii Teacher Standards board as a licensed teacher member based on her demonstrated commitment to quality instruction and public charter school success.

LESLIE MURASHIGE

Your Committee received testimony in support of Leslie Murashige from the Hawaii Teacher Standards Board, Hawaii State Teachers Association, and seven individuals.

Upon review of the testimony, your Committee finds that Leslie Murashige's commitment to education and the welfare of the community qualify him for appointment to the Hawaii Teacher Standards Board. Mr. Murashige provides airline consulting services, and was President of Hawaii Island Air from October 2012 through August 2013. He holds a Bachelor's degree from the University of Hawaii at Manoa. Mr. Murashige also served as Vice President and Chief Operating Officer of Lanakila Pacific from May 2009 through October 2010. Previously, he worked for over twenty-five years at various levels of airline management. Mr. Murashige has also served on the Board of Directors for Lanakila Pacific and PBS Hawaii. His rich private sector experience brings a unique perspective to the Board, and according to his testimony, Mr. Murashige believes he will contribute through his ability to ask the right questions that lead to innovative solutions and Board policies. Your Committee further finds that Mr. Murashige has been appointed and reappointed to the Hawaii Teacher Standards Board as a community member based on his extensive management experience and desire to give back to his community.

KARIANE PARK TOYAMA

Your Committee received testimony in support of Kariane Park Toyama from the Hawaii Teacher Standards Board, Hawaii State Teachers Association, and four individuals.

Upon review of the testimony, your Committee finds that Kariane Park Toyama's understanding of the requisite knowledge and skills for teacher licensure qualify her for appointment to the Hawaii Teacher Standards Board. Ms. Park Toyama is currently a teacher at Waihee Elementary School where she has taught third and fourth grade since July 2007. She holds a Bachelor's degree in Education from the University of Hawaii at Manoa. Ms. Park Toyama taught fourth grade at Lihikai Elementary from July 1999 through June 2007. Testifiers noted that Ms. Park Toyama is a dependable and hard-working educator dedicated to student achievement. Your Committee notes from Ms. Park Toyama's personal statement that she has served in various school and district level leadership positions including committee chairperson, grade level chairperson, and union chapter treasurer. She appreciates the opportunity to be a voice for her fellow teachers, and takes such responsibility seriously. Your Committee further finds that Ms. Park Toyama has been appointed to the Hawaii Teacher Standards Board as a licensed teacher member based on her years of experience as a classroom teacher and her understanding of the knowledge and skills necessary for effective instruction and classroom management.

STEVE NAKASATO

Your Committee received testimony in support of Steve Nakasato from the Hawaii Teacher Standards Board, Hawaii State Teachers Association, and one individual.

Upon review of the testimony, your Committee finds that Steve Nakasato's leadership skills and instructional expertise qualify him for appointment to the Hawaii Teacher Standards Board. Mr. Nakasato is the principal of Pearl Ridge Elementary School. He holds a Bachelor's degree in Education, Master's degree in Elementary Education, Master's degree in Educational Administration, and Doctor of Education in Professional Educational Practice, all from the University of Hawaii at Manoa. From July 2013 through June 2014, he was the director of the Office of Curriculum, Instruction, and Student Support. Mr. Nakasato was principal of Mililani Ike Elementary School from January 2003 through June 2013. He previously served as principal or vice principal at various Oahu elementary schools after spending seven years teaching sixth grade. Mr. Nakasato has engaged in educational research over the course of his career and his article, "Got Health? The Hawaii Partnership for Standards-Based School Health Education" was published in the *Journal of School Health* in 2000. He has also been the recipient of various honors, including National Distinguished Principal for the Central District in 2007 and Hawaii State Teacher Association Central District Teacher Recognition in 1991. Your Committee further finds that Mr. Nakasato has been appointed to the Hawaii Teacher Standards board as an educational officer member based on his understanding of the skills and knowledge necessary for successful performance in the classroom which he has acquired over twenty years of providing instructional support and evaluating teacher performance.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

For Gov. Msg. No. 602:

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Keith-Agaran, Slom).

For Gov. Msg. Nos. 603, 604, 605, 606, and 610:

Ayes, 5. Noes, none. Excused, 4 (Chun Oakland, Dela Cruz, Kouchi, Slom).

SCRep. 1583 Judiciary and Labor on Jud. Com. No. 6

Recommending that the Senate consent to the nomination of the following:

DISTRICT COURT OF THE FIRST CIRCUIT, STATE OF HAWAII

J.C. No. 6 WILLIAM M. DOMINGO, for a term to expire in six years

Your Committee has reviewed the resume and statements submitted by the appointee and finds William M. Domingo to possess the requisite qualifications to be appointed to the District Court of the First Circuit, State of Hawaii.

Testimony in support of the appointment of Mr. Domingo was submitted by Judge J. Michael Seabright, United States District Court of the District of Hawaii; Retired Associate Justice Simeon R. Acoba, Jr., Supreme Court of the State of Hawaii; Office of the Public Defender; Afro-American Lawyers Association of Hawaii; Filipino American Citizens League; Hawaii Friends of Civil Rights; L & L Franchise, Inc.; Nursing Advocates & Mentors, Inc.; Hawaii Association of Criminal Defense Lawyers; and fifty-two individuals. Your Committee received testimony in opposition to the appointment of Mr. Domingo from one individual. Comments regarding the appointee were submitted by the Hawaii State Bar Association.

The Hawaii State Bar Association (HSBA) Board of Directors found the appointee to be qualified for the position of District Court Judge, First Circuit, based on all categories of the HSBA criteria that includes: integrity, diligence, legal knowledge and ability, professional experience, temperament, financial responsibility, public service, health, and ability to fulfill the responsibilities and duties of the position.

Mr. Domingo earned his Bachelor of Arts degree in Philippine Studies from the University of Hawaii at Manoa where, during his undergraduate studies, he served as President of the Filipino Students Association. He later obtained his Doctorate of Jurisprudence from the William S. Richardson School of Law at the University of Hawaii at Manoa. During his graduate studies, he served as President of the Filipino Law Students Association and Head Coach of the women's flag football team, Ete Bowl.

Mr. Domingo has over twenty-eight years of criminal law experience. Since 2005, he has been the sole practitioner of his own private law practice focusing on criminal defense representation in state and federal court in a variety of matters from traffic offenses to murder cases. Prior to going into private practice, he served as an Assistant Federal Public Defender in the District of Hawaii where he focused on criminal defense representation in high profile federal crimes, including drug conspiracies, white collar corruption, and violent crimes. He also served as a Deputy Public Defender for the Office of the Public Defender where he completed over eighty jury trials.

Mr. Domingo is licensed to practice law in Hawaii and is an active participant in the legal community. He is a past President of the Hawaii Filipino Lawyers Association and Lecturer at the William S. Richardson School of Law for evidence classes. He also serves as Grand Jury Counsel for the Circuit Court of the First Circuit and was rated as a Criminal Defense Hawaii Super Lawyer from 2008 to 2010. He is also a Founder, Board Member, and past President of Sariling Gawa Youth Council, Inc.; Board Member and past President at the Kalihi YMCA; Board Member and past President of the Susannah Wesley Community Center; Mock Trial Coach for Farrington High School; Assistant Scout Master for Troop 201 Boys Scouts of America; AYSO Soccer Coach; and Member of Aldersgate United Methodist Church.

Testimony in support of Mr. Domingo's appointment indicate that he fairly but zealously represents the best interests of his clients and possesses the ethical and professional standards that are demanded of judges. He has the reputation for being a person of integrity who treats everyone equally and fairly and has the ability to relate to and is respectful toward everyone, which is an attribute that is important at the District Court level where most of the public comes into contact with the court system.

Of particular note, testimony in support of the appointee praises his contributions to the Filipino community, especially his work with the Hawaii Filipino Lawyers Association. Mr. Domingo became President of the Hawaii Filipino Lawyers Association when the Association had been inactive for many years. Under his leadership, the Association has become a thriving organization that provides new and experienced attorneys with valuable resources and services to the public. Testimony in support further indicates that Filipinos continue to be underrepresented in the legal profession and on the bench. Mr. Domingo serving on the bench will more accurately reflect the diversity of Hawaii.

As such, your Committee finds that, based on testimony submitted on his behalf, William M. Domingo has the experience, temperament, judiciousness, and other competencies to be a District Court Judge. He has a good sense of where the equities, rights, and responsibilities lie in a case, which is essential for a District Court Judge.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1584 (Majority) Energy and Environment on H.C.R. No. 108

The purpose and intent of this measure is to:

- (1) Request the convening of a Climate Change and Health Working Group to assess the scope and risks of climate change on the health of Hawaii's residents and to develop a strategic plan to address climate change risks to health statewide; and
- (2) Request that the Climate Change and Health Working Group submit a report, to be prepared and drafted by the Department of Health, of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Public Health Institute, Hawaii Public Health Association, and one individual.

Your Committee finds that climate change, together with other natural and human-made health stressors, influences human health and disease in many ways. As a result of climate change, some existing health threats will intensify, and in other cases, new health threats will emerge. In 2014, the State's public health workers expressed a desire to help address the effects of climate change on health. However, most public health workers feel that they lack the specific expertise, knowledge, or skills to do so. Recognizing that climate change is one of the most significant public health issues, a coordinated public health response is needed to discuss emerging and perceived threats while also providing public health workers with the necessary education, skills, and resources.

Your Committee has amended this measure by:

- (1) Eliminating language stating that certified copies be transmitted to other identified agencies in health care and public health; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 108, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 108, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Green).

SCRep. 1585 Transportation on H.C.R. No. 98

The purpose and intent of this measure is to request the Department of Transportation to convene a working group to investigate and assess safety concerns and potential improvements for Queen Kaahumanu Highway between Makala Boulevard and Henry Street on the Island of Hawaii.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that in 2009, the Department of Transportation began the widening of Queen Kaahumanu Highway on the Island of Hawaii and added a bicycle lane to north- and south-bound lanes. The south-bound bicycle lane proved to be a safety concern, as it was located between two lanes of fast-moving traffic. In December 2014, a restriping project commenced along Queen

Kaahumanu Highway south of the Makala Boulevard intersection to address safety concerns, however there are still significant concerns for public safety at the intersection even after restriping and numerous complaints from the community.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 98, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (English, Espero).

SCRep. 1586 Government Operations on Gov. Msg. Nos. 758 and 760

Recommending that the Senate advise and consent to the nominations of the following:

ENHANCED 911 BOARD

G.M. No. 758 JOHN JAKUBCZAK, for a term to expire 6-30-2016; and

G.M. No. 760 KIMAN WONG, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds John Jakubczak and Kiman Wong to possess the requisite qualifications to be nominated to the Enhanced 911 Board.

JOHN JAKUBCZAK

Your Committee received testimony in support of the nomination of John Jakubczak from the Department of Accounting and General Services; County of Maui Department of Management IT Services Division; Maui Police Department; T-Mobile USA, Inc.; and eleven individuals.

Upon review of the testimony, your Committee finds that Mr. Jakubczak's wealth of experience in law enforcement, emergency response, and criminal investigation qualify him for appointment to the Enhanced 911 Board. Your Committee notes that Mr. Jakubczak has been a member of the Maui Police Department for twenty-eight years. During that time, he has risen through the ranks to his current positions of Assistant Chief of Police in the Support Services Bureau and Police Captain-Criminal Investigation Division Commander. Among many other duties, he is responsible for evaluating the effectiveness of current policies and making changes or developing new policies in order to deliver quality services to the public. In addition to his career in public safety, Mr. Jakubczak has also demonstrated his commitment to the community through his involvement in youth and high school football in Maui over the past twenty years. His expertise in public safety policy and understanding of emergency response make him an excellent nominee for membership on the Board. Your Committee further finds that Mr. Jakubczak has been appointed to the Enhanced 911 Board as the public safety answering point representative for Maui based on his experience, knowledge, and commitment to the community and public safety.

KIMAN WONG

Your Committee received testimony in support of the nomination of Kiman Wong from the Department of Accounting and General Services; State of Hawaii Enhanced 911 Board; City and County of Honolulu Police Department; City and County of Honolulu Ocean Safety and Lifeguard Services Division; City and County of Honolulu Emergency Medical Services; County of Hawaii Police Department; T-Mobile USA, Inc.; and eight individuals.

Upon review of the testimony, your Committee finds that Mr. Wong's expertise in telecommunications and specialized understanding of government relations qualify him for appointment to the Enhanced 911 Board. Mr. Wong has over thirty years' experience in telecommunications. He is currently Oceanic Time Warner Cable's Director of Wireless Services and Director of Home Phone Services. Additionally, he serves as the company's point of contact for government relations in the State of Hawaii. Mr. Wong has a specialized understanding of telecommunications network design and regulatory issues essential to carrying out the work of the Enhanced 911 Board. Mr. Wong has been a respected member of the Enhanced 911 Board since 2011, has served as the Board's Finance Committee Chairperson since 2012, and possesses a thorough understanding of the responsibilities of Board members. Mr. Wong is also a member of the Broadband Assistance Advisory Council, Federal Law Enforcement Foundation, and YMCA of Honolulu Atherton Branch Board. Your Committee further finds that Mr. Wong has been appointed to the Enhanced 911 Board as the representative from a company offering Interconnected Voice over Internet Protocol services based on his industry experience and specialized understanding of telecommunications in the context of state government.

As affirmed by the records of votes of the members of your Committee on Government Operations that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1587 Agriculture on Gov. Msg. Nos. 611 and 612

Recommending that the Senate advise and consent to the nominations of the following:

ADVISORY COMMITTEE ON PESTICIDES

G.M. No. 611 REY ITO, for a term to expire 6-30-2017; and

G.M. No. 612 MICHAEL BOTHA, for a term to expire 6-30-2016

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Rey Ito and Michael Botha to possess the requisite qualifications to be nominated to the Advisory Committee on Pesticides.

REY ITO

Your Committee received testimony in support of the nomination of Rey Ito from the Department of Agriculture.

Mr. Ito is a landscape professional and the founder and owner of the Green Doctor of Hawaii. He has collaborated with the University of Hawaii and the City and County of Honolulu Parks Division concerning renovation of weed infested sports turf, specifically the Waipio Soccer Complex, since 2010, and has extensive experience with pesticide products used in the landscaping industry.

Mr. Ito indicated in his testimony that he believes in the need for good stewardship to be practiced regarding pesticide use.

Your Committee finds that Mr. Ito's past experiences with lawn fertilization programs, integrated pest management programs, and portable pesticide application systems qualify him for appointment to the Advisory Committee on Pesticides as a representative of the landscaping industry.

MICHAEL BOTHA

Your Committee received testimony in support of the nomination of Michael Botha from the Department of Agriculture.

Mr. Botha is the Training Director and Company Safety Officer for Sandwich Isle Pest Solutions. He has previous experience working as a Region Technical Specialist for Terminix International and as a Service Manager for Hilo Fumigators. Mr. Botha has previously served as the Chair of the Hawaii Pest Control Board and currently serves as the Director of the National Pest Management Association and Director of the Hawaii Pest Control Association.

Mr. Botha indicated in his personal statement that he hopes to bring his energy, experience, and focus to the Advisory Committee on Pesticides and become engaged in solving challenges facing the Committee.

Your Committee finds that Mr. Botha's past experiences as a leader in the pest management industry and structural pest control qualify him for appointment to the Advisory Committee on Pesticides as a representative of the structural pest control industry.

As affirmed by the records of votes of the members of your Committee on Agriculture that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1588 Education on Gov. Msg. Nos. 782, 783, and 784

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF EDUCATION

G.M. No. 782 HUBERT P. MINN, for a term to expire 6-30-2018;

G.M. No. 783 LANCE A. MIZUMOTO, for a term to expire 6-30-2018; and

G.M. No. 784 MARGARET COX, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Hubert P. Minn, Lance A. Mizumoto, and Margaret Cox to possess the requisite qualifications to be nominated to the Board of Education.

HUBERT P. MINN

Your Committee received testimony in support of the nomination of Hubert P. Minn from the Hui for Excellence in Education and twenty-four individuals. Your Committee received comments on the nomination of Hubert P. Minn from two individuals.

Upon review of the testimony, your Committee finds that Hubert P. Minn's experience as an educator and in education policy qualify him for appointment to the Board of Education. Mr. Minn is a mentor in the Department of Education's Central District Mentor Program. He holds a Bachelor's degree in Physical Education from California State University at Northridge and a Professional Diploma in Education from the University of Hawaii at Manoa. Mr. Minn was Deputy Director of the Department of Customer Service for the City and County of Honolulu from 2007 to 2008 and 2010 to 2011, Deputy Director of the Department of Enterprise Services for the City and County of Honolulu from 2007-2009, and was previously a social studies teacher. Mr. Minn served on the Hawaii State Board of Education from 1974 to 1980, and has a thorough understanding of the role and responsibilities of Board members. He has received a number of awards for excellence in education including Outstanding Teacher from the Hawaii Quality Schools Network in 2002 and Hawaii Teacher of the Year Award in 1993.

Your Committee notes from Mr. Minn's personal statement that he wishes to serve on the Board because he embraces the opportunity to improve Hawaii's public school system. He sees himself as experienced in management and education, a collaborative team member, and fair decision maker. Mr. Minn views contract negotiations as a major function of the Board, has had experience negotiating agreements with the Hawaii State Teachers Association and Hawaii Government Employees Association, and is confident in his ability to make similar contributions in the future. Your Committee further finds that Mr. Minn has been appointed to the Board of Education as the member representing the City and County of Honolulu based on his experience, knowledge, and commitment to public service.

LANCE A. MIZUMOTO

Your Committee received testimony in support of the nomination of Lance A. Mizumoto from Hui for Excellence in Education; Building Industry Association of Hawaii; Chamber of Commerce Hawaii; and thirty-four individuals. Your Committee received testimony in opposition to the nomination of Lance A. Mizumoto from two individuals.

Upon review of the testimony, your Committee finds that Lance A. Mizumoto's management experience and desire to strengthen public education in Hawaii qualify him for appointment to the Board of Education. Mr. Mizumoto is the President and Chief Banking Officer at Central Pacific Bank. He was also Central Pacific Bank's Executive Vice President and Chief Banking Officer from 2012 to 2014 and Executive Vice President and Commercial Banking Division Manager from 2005 to 2011. Mr. Mizumoto holds a Bachelor of Business Administration degree in Marketing and Management from the University of Hawaii at Manoa and a Master of Business Administration degree from Chaminade University. Mr. Mizumoto is a Chamber of Commerce board member and Chaminade University Board of Regents member.

Your Committee notes from Mr. Mizumoto's personal statement that he hopes to improve the public school system by empowering school principals and holding them accountable for their school budgets. He would also like to emphasize leadership development at the school level and minimize bureaucracy within the Department of Education. Mr. Mizumoto sees his capacity to be a team player, provide leadership, and build consensus as beneficial qualities he will bring to the Board. Your Committee further finds that Mr. Mizumoto has been appointed to the Board of Education as an at-large member based on his expertise in management and desire to give back to Hawaii's public schools.

MARGARET COX

Your Committee received testimony in support of the nomination of Margaret Cox from the Hui for Excellence in Education and five individuals. Your Committee received comments on the nomination of Margaret Cox from two individuals.

Upon review of the testimony, your Committee finds that Margaret Cox's experience as a teacher, administrator, and former Board of Education member qualify her for appointment to the Board of Education. Ms. Cox was first elected to the State Board of Education in 2004 and served until 2011 when the Board transitioned to an appointed Board. During that time, she served as Chairperson of the K-12 Regular Education Committee and as a member or designee in a number of other capacities. Her previous time on the Board has given her a deep understanding of the role and responsibilities of a board member. Previously, she was a school principal responsible for opening King Kaumualii Elementary School in 1990 and Chiefess Kamakaha Middle School in 2000. Ms. Cox also has twenty years' experience as a secondary school science teacher. She holds a Bachelor's degree in Education, Professional Certificate in Secondary Physical Science, and Professional School Administrator Certificate.

Your Committee notes from Ms. Cox's personal statement that she is proud of her service to Hawaii's public schools and is eager to continue working to improve them. She feels her experience working at the elementary, middle, and high school levels give her a broad perspective on school issues. Ms. Cox feels that public input on Board business is valuable and finds it important to provide opportunities for the Board to hear public concerns. Ms. Cox's rich experience in classroom instruction, educational administration, and education policy make her a prime candidate for membership on the Board of Education. Your Committee further finds that Ms. Cox has been appointed to the Board of Education as the member representing Kauai County based on her commitment to public schools and her drive to improve education for all Hawaii students.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 1589 Education on Gov. Msg. Nos. 788 and 789

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII TEACHER STANDARDS BOARD

G.M. No. 788 GERALD M. TERAMAE, for a term to expire 6-30-2015; and

G.M. No. 789 GERALD M. TERAMAE, for a term to expire 6-30-2018

Your Committee has reviewed the personal statement, resume, and work experiences of the nominee and finds Gerald Teramae to possess the requisite qualifications to be nominated to the Hawaii Teacher Standards Board as an independent school representative.

Your Committee received testimony in support of the nomination of Gerald Teramae from the Hawaii Teacher Standards Board; Hawaii State Teachers Association; Von Baron Music, LLC.; Rising Tigers, LLC.; Parents and Children Together; and thirty-one individuals.

Gerald Teramae is currently the Head of School at Island Pacific Academy. In the past he has served as Lower School Dean at Iolani School, Principal of Kalani High School, and has held numerous other school administration positions since beginning his career as an elementary school teacher from 1986 through 1999. Mr. Teramae holds a Bachelor's degree in Education and a Master of Educational Administration degree from the University of Hawaii.

Your Committee believes that the nominee possesses the qualifications to serve on the Hawaii Teacher Standards Board. Mr. Teramae has almost thirty years' experience as an educator. He has been a classroom teacher and school administrator with experience in the public and private school settings. Over the course of his career he has become well versed in the needs of students and the qualifications necessary for effective teaching. His diverse background and rich educational leadership experience will be an asset to the Board.

Your Committee notes from the nominee's personal statement that he aims to retain teachers and continue to license high quality public school teachers, counselors, and librarians. He feels that educators benefit from support systems designed to help develop their skills. Mentorship and clear expectations, policies, and procedures are essential to help teachers, counselors, and librarians develop professionally and reach their greatest potential.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 1590 Education on Gov. Msg. Nos. 785 and 787

Recommending that the Senate advise and consent to the nominations of the following:

EARLY LEARNING ADVISORY BOARD

G.M. No. 785 ANN M. TOM, for a term to expire 6-30-2017; and

G.M. No. 787 M. NALANI MATTOX-PRIMACIO, for a term to expire 6-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Ann M. Tom and M. Nalani Mattox-Primacio to possess the requisite qualifications to be nominated to the Early Learning Advisory Board.

ANN M. TOM

Your Committee received testimony in support of the nomination of Ann M. Tom from the National Association for Family Child Care and five individuals.

Upon review of the testimony, your Committee finds that Ms. Tom's expertise in child development and early childhood education qualify her for appointment to the Early Learning Advisory Board. Your Committee notes that Ms. Tom has worked in the University of Hawaii at Manoa's Center on the Family for almost fifteen years and is currently the Senior Project Outreach Specialist for the Center's Learning to Grow Program. She was previously the Project Coordinator for the Quality Care Program for Center-Based and Home-Based Child Care Providers. Ms. Tom holds a Bachelor's degree in Family Resources from the University of Hawaii at Manoa and a Master of Education degree with a focus on Risk and Prevention in Early Childhood from Harvard University. Ms. Tom has been involved in extensive post-graduate training in child advocacy, early literacy, prevention of abuse and neglect, and caregiver training, among others. She has also authored numerous publications on the topics of child care and child development.

Your Committee notes from Ms. Tom's personal statement that she publishes a monthly newsletter for four hundred fifty registered family child care providers in the State and receives regular feedback from the family child care community, making her uniquely equipped to speak on their behalf. Ms. Tom's extensive practical experience and scholarly contributions in the fields of child development, child care, and early childhood education make her an ideal candidate for membership on the Early Learning Advisory Board. Your Committee further finds that Ms. Tom has been appointed to the Early Learning Advisory Board as a family child care representative based on her skills, knowledge, and desire to improve child care.

M. NALANI MATTOX-PRIMACIO

Your Committee received testimony in support of the nomination of M. Nalani Mattox-Primacio from the Institute for Native Pacific Education and Culture, Blueprint for Change, and ten individuals.

Upon review of the testimony, your Committee finds that M. Nalani Mattox-Primacio's expertise in family engagement and parent education qualify her for appointment to the Early Learning Advisory Board. Your Committee notes that Ms. Mattox-Primacio is currently the Pilina Ohana Manager under a Kellogg Grant where she implements a cultural-based education initiative for family engagement to promote positive child outcomes. Previously, she was a home visiting manager for a Parents as Teachers program and has a long history of providing training and mentorship in child care and education. Ms. Mattox-Primacio holds a Bachelor's degree in Psychology and a Master of Education degree in Early Childhood Education with a focus in Family Strengthening Systems from the University of Hawaii at Manoa. Ms. Mattox-Primacio serves as an alternate on the Early Learning Advisory Council and is secretary for the Eleu-Native Hawaiian Education Network. She is also a member of Kokua Kalihi Valley Leadership Council, Na Lei Malama-KoolauLoa Early Education Network, National Association for the Education of Young Children, and Hawaii Association for the Education of Young Children.

Your Committee notes from Ms. Mattox-Primacio's personal statement that she is committed to high quality early childhood education for all Hawaii children and sees family engagement and parental choice as key to delivering high quality early childhood services. Your Committee further finds that Ms. Mattox-Primacio has been appointed to the Early Learning Advisory Board as a family-child interaction learning representative based on her devotion to strong families, well-supported children, and healthy communities.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 1591 Energy and Environment on Gov. Msg. No. 646

Recommending that the Senate advise and consent to the nomination of the following:

ENVIRONMENTAL COUNCIL

G.M. No. 646 ROBERT PARSONS, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Robert Parsons to possess the requisite qualifications to be nominated to the Environmental Council.

Your Committee received testimony in support of the nomination of Mr. Parsons from the Office of Environmental Quality Control, The Nature Conservancy of Hawaii, Zero Waste Kauai, and six individuals.

Mr. Parsons has significant experience pertaining to the environment, including authoring over one hundred seventy-five articles as a freelance eco-journalist and working as an Environmental Consultant to Food & Water Watch, based in Washington D.C. He is in his ninth year as the Maui County Environmental Coordinator and serves as the county liaison or representative to various conservation and environmental organizations, including The Nature Conservancy, Hawaii Green Growth, Maui Conservation Alliance, Maui Invasive Species Committee, and Maui Nui Marine Resource Council. He holds a Bachelor of Arts degree in English, with a minor in Communications, from Denison University in Ohio.

Your Committee finds that Mr. Parson's community involvement, knowledge, and appreciation for the complexity of natural resource and environmental issues provide him with the expertise necessary to serve on the Environmental Council.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 1592 Economic Development and Technology on Gov. Msg. Nos. 614, 615, 616, and 617

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION

G.M. No. 614 JOHN MORTON, for a term to expire 6-30-2019;

G.M. No. 615 DEREK C. LAU, for a term to expire 6-30-2019;

G.M. No. 616 FREDERICK DELSE, for a term to expire 6-30-2018; and

G.M. No. 617 RACE A. RANDLE, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds John Morton, Derek C. Lau, Frederick Delse, and Race A. Randle to possess the requisite qualifications to be nominated to the Board of Directors of the High Technology Development Corporation.

JOHN MORTON

Your Committee received testimony in support of the nomination of John Morton from the University of Hawaii System, High Technology Development Corporation, and four individuals.

Your Committee finds that Dr. Morton is the current Vice President for Community Colleges in the University of Hawaii System and previously served as the Chancellor of Kapiolani Community College. Since 2002, Dr. Morton has served as the Director of the University of Hawaii System, overseeing the development and implementation of the Student Information System. He also is an active member in his community, including serving as a member of the Board of Directors of the Community Colleges for International Development and a representative member of the League for Innovation in Community Colleges.

Your Committee finds that Dr. Morton's background, experience, and proven leadership on the Board of Directors of the High Technology Development Corporation qualify him for appointment to the Board.

DEREK C. LAU

Your Committee received testimony in support of the nomination of Derek C. Lau from the High Technology Development Corporation and two individuals.

Your Committee notes that Mr. Lau has been President of Real Estate Specialists, LLC, since 2009. Prior to that position, he served as the President and owner of InkScream Inc. Mr. Lau has also been an active member in the community, including serving on the Board of Directors of the High Technology Development Corporation and the Board of Directors of HiCentralMLS, Ltd, as well as a member of the Hawaii Association of REALTORS. These experiences will enhance the effectiveness of the Board.

Your Committee finds that Mr. Lau's background, experience, and proven leadership on the Board of Directors of the High Technology Development Corporation qualify him for appointment to the Board.

FREDERICK DELSE

Your Committee received testimony in support of the nomination of Frederick Delse from the High Technology Development Corporation and eleven individuals.

Your Committee notes that Mr. Delse is the President of TeamPraxis and has previously served as the Director of Product Management, Search, with Yahoo! Inc. Mr. Delse is also an active member in his community, including serving as a judge for the Hawaii High School Business Plan Competition and sponsor for the 'Olelo Student Video Competition. Your Committee finds that Mr. Delse has a thorough understanding of the role and responsibilities of Board members, and his perspective as a leader in the technology industry of Oahu will enhance the effectiveness of the Board.

Your Committee finds that Mr. Delse's background, experience, and proven leadership on the Board of Directors of the High Technology Development Corporation qualify him for appointment to the Board.

RACE A. RANDLE

Your Committee received testimony in support of the nomination of Race A. Randle from the High Technology Development Corporation and one individual.

Mr. Randle is currently serving as the Vice President of Development with the Howard Hughes Corporation and has previously served with Forest City Enterprises and Castle & Cooke Hawaii. Your Committee notes that Mr. Randle has been the Vice Chair of the Board of Directors of the High Technology Development Corporation since 2011.

Your Committee finds that Mr. Randle's background, experience, and proven leadership on the Board of Directors of the High Technology Development Corporation qualify him for reappointment to the Board.

As affirmed by the records of votes of the members of your Committee on Economic Development and Technology that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1593 Economic Development and Technology on Gov. Msg. No. 619

Recommending that the Senate advise and consent to the nomination of the following:

COMMUNITY-BASED ECONOMIC DEVELOPMENT ADVISORY COUNCIL

G.M. No. 619 RACHEL JAMES, for a term to expire 6-30-2017

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Rachel James to possess the requisite qualifications to be nominated to the Community-Based Economic Development Advisory Council.

Your Committee received testimony in support of the nomination of Rachel James from the Department of Business, Economic Development, and Tourism and three individuals.

Upon review of the testimony, your Committee notes that Ms. James currently serves as a Constituent Services Liaison for the office of United States Congresswoman Tulsi Gabbard. She has previously served as a Housing Specialist and Intake Specialist with Catholic Charities Hawaii. Your Committee further notes that Ms. James earned her Master's degree in Global Leadership and Sustainable Development from Hawaii Pacific University and Bachelor of Science degree in Accounting from the University of Phoenix Online. Ms. James is an active member in her community, including volunteering as a Secretary with the Hawaii Women Military Veterans Committee and as a board member with Kuleana Microlending. Your Committee recommends that Ms. James be appointed to the Community-Based Economic Development Advisory Council based on her extensive experience, knowledge, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1594 Economic Development and Technology on Gov. Msg. No. 620

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I GREEN INFRASTRUCTURE AUTHORITY

G.M. No. 620 JEFFREY MIKULINA, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jeffrey Mikulina to possess the requisite qualifications to be appointed to the Hawai'i Green Infrastructure Authority.

Your Committee received testimony in support of the nomination of Jeffrey Mikulina from the Department of Business, Economic Development, and Tourism; Public Utilities Commission; Hawai'i Green Infrastructure Authority; and thirty individuals.

Upon review of the testimony, your Committee finds that Mr. Mikulina's background, experience, and proven leadership qualify him for appointment as a member of the Hawai'i Green Infrastructure Authority. Your Committee notes that Mr. Mikulina has served as the Chief Executive Officer of the Blue Planet Foundation since 2008. Prior to that position, he served as the Executive Director of Sierra Club, Hawai'i Chapter, since 1998. He is an active member on community commissions and task forces, including serving as Vice Chair of the City & County of Honolulu Planning Commission and as a member of the Hawai'i Economic Development Task Force. Mr. Mikulina is currently serving as an interim appointment to the Hawai'i Green Infrastructure Authority. Your Committee finds that Mr. Mikulina's wide range of professional and academic experiences in engineering and energy finance projects, as well as his environmental protection background, will serve him well as a member of the Hawai'i Green Infrastructure Authority. Your Committee recommends Mr. Mikulina be appointed to the Hawai'i Green Infrastructure Authority based on his extensive experience, knowledge, and dedication to environmentalism and public service.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1595 Economic Development and Technology on Gov. Msg. No. 761

Recommending that the Senate advise and consent to the nomination of the following:

STADIUM AUTHORITY

G.M. No. 761 KEITH Y. AMEMIYA, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Keith Y. Amemiya to possess the requisite qualifications to be nominated to the Stadium Authority.

Your Committee received testimony in support of the nomination of Keith Y. Amemiya from the Department of Accounting and General Services.

Upon review of the testimony, your Committee finds that Mr. Amemiya's background, experience, and proven leadership qualify him for appointment to the Stadium Authority. Mr. Amemiya is currently the Senior Vice President of Island Holdings, Inc., and has previously served as the Executive Administrator and Secretary of the Board of Regents of the University of Hawaii as well as the Executive Director of the Hawaii High School Athletic Association. Your Committee further finds that Mr. Amemiya earned his Juris Doctorate from the William S. Richardson School of Law and his Bachelor of Business Administration in Finance from the University of Hawaii at Manoa. He has also been an active member on community boards and executive committees, including serving on the Board of Directors of the Pacific Links Hawaii Foundation, Hawaii Institute for Public Affairs, and on the Executive Committee for the Sheraton Hawaii Bowl. Your Committee recommends that Mr. Amemiya be appointed to the Stadium Authority based on his extensive experience, knowledge, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1596 Economic Development and Technology on Gov. Msg. Nos. 767, 768, 769, 770, 771, and 772

Recommending that the Senate advise and consent to the nominations of the following:

SMALL BUSINESS REGULATORY REVIEW BOARD

G.M. No. 767 ANTHONY B. BORGE, for a term to expire 6-30-2019;

G.M. No. 768 GARTH YAMANAKA, for a term to expire 6-30-2015;

G.M. No. 769 GARTH YAMANAKA, for a term to expire 6-30-2019;

G.M. No. 770 NANCY ATMOSPORA-WALCH, for a term to expire 6-30-2016 (Nominee's name amended to NANCY ATMOSPORA-WALCH by GM861.);

G.M. No. 771 PHILLIP KASPER, for a term to expire 6-30-2016 (term amended to 6-30-2018 by GM860); and

G.M. No. 772 ROBERT CUNDIFF, for a term to expire 6-30-2016

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Anthony B. Borge, Garth Yamanaka, Nancy Atmospera-Walch, Phillip Kasper, and Robert Cundiff to possess the requisite qualifications to be nominated to the Small Business Regulatory Review Board.

ANTHONY B. BORGE

Your Committee received testimony in support of the nomination of Anthony B. Borge from the Department of Business, Economic Development, and Tourism and two individuals.

Upon review of the testimony, your Committee finds that Mr. Borge's background, experience, and proven leadership representing the island of Oahu on the Small Business Regulatory Review Board qualify him for reappointment to the Board. Your Committee notes that Mr. Borge has served in managerial and directorial roles in several businesses for more than two decades, including as the General Manager of RMA Sales, 7-Up Brand Manager of Paradise Beverages, Inc., and as National Accounts Manager for Anheuser-Busch Sales of Hawaii, Inc. Mr. Borge is also an active member in his community, including serving on the Board of Directors of the Building Industry Association-Hawaii, as a member of the American Institute of Architects, and as member of the Honolulu Chamber of Commerce. Your Committee further finds that Mr. Borge currently serves as the Chair of the Small Business Regulatory Review Board and has a thorough understanding of the role and responsibilities of Board members. Your Committee therefore recommends Mr. Borge be reappointed to the Small Business Regulatory Review Board based on his extensive experience, knowledge, and dedication to public service.

GARTH YAMANAKA

Your Committee received testimony in support of the nomination of Garth Yamanaka from the Department of Business, Economic Development, and Tourism; Hawaii County Council; and fourteen individuals.

Upon review of the testimony, your Committee finds that Mr. Yamanaka's background and commitment to public service qualify him for appointment as a member of the Small Business Regulatory Review Board. Your Committee notes that Mr. Yamanaka is the owner and appraiser of G & H Appraisals Inc. in Hilo, Hawaii, and has previously served as the Vice President and Property Manager of Yamanaka Enterprises, Inc., also in Hilo. Mr. Yamanaka is an active member in national and community associations, including serving as a member of the National Association of REALTORS, as a board member of the Kanoiehewa Industrial Area Association, and as the treasurer of the Rotary Club of South Hilo Foundation. Your Committee recommends Mr. Yamanaka be appointed and reappointed as a member of the Small Business Regulatory Review Board based on his extensive experience, knowledge, and dedication to connecting businesses and the local community.

NANCY ATMOSPERA-WALCH

Your Committee received testimony in support of the nomination of Nancy Atmospera-Walch from the Department of Business, Economic Development, and Tourism and one individual.

Upon review of the testimony, your Committee finds that Ms. Atmospera-Walch's background, experience, education, and dedication to serving the community qualify her for appointment as a member of the Small Business Regulatory Review Board. Your Committee notes that Ms. Atmospera-Walch is a Registered Nurse and Nursing Home Administrator. Ms. Atmospera-Walch is also a Master Certified Health Education Specialist, Department of Human Services-approved Registered Nurse Evaluator, and PREPARE Specialist. She plays an active role in clinical and business appointments, including serving as a Clinical Assistant Professor at the University of Hawaii, School of Nursing, and as a member of the Aloha Medical Mission Board of Directors. Your Committee recommends Ms. Atmospera-Walch be appointed as a member of the Small Business Regulatory Review Board based on her extensive experience, knowledge, and dedication to serving the community.

PHILLIP KASPER

Your Committee received testimony in support of the nomination of Phillip Kasper from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Mr. Kasper's wide range of professional and academic experiences, as well as his extensive background in small business, will serve him well as a member of the Small Business Regulatory Review Board. Mr. Kasper served in the Naval Air Reserve for six years. He earned his Bachelor's degree in Business Economics from the University of California at Santa Barbara. Your Committee notes that Mr. Kasper is the owner and founder of Boss Frog's Dive & Surf Shop, based in Lahaina, Maui. Mr. Kasper previously served as the owner and operator of a Thrifty Rent-A-Car franchise in California. Mr. Kasper's community involvement includes support for The Salvation Army, The Lahainaluna High School Foundation, West Maui After School Tutoring Program, and Hawaiian Islands Land Trust. Your Committee recommends Mr. Kasper be appointed as a member of the Small Business Regulatory Review Board based on his extensive experience, knowledge, and dedication to public service.

ROBERT CUNDIFF

Your Committee received testimony in support of the nomination of Robert Cundiff from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Mr. Cundiff's wide range of professional and academic experiences, as well as his extensive background in independent businesses, will serve him well as a member of the Small Business Regulatory Review Board. Your Committee notes that Mr. Cundiff is the President of Rengo Packaging, Inc., and in that capacity, Mr. Cundiff has worked closely with local and international businesses and has been an integral player in the development of business strategies in local organizations. Mr. Cundiff previously served as President of Hawaii Box & Packaging, Inc. Prior to that position, he held the position of General Manager with Weyerhaeuser. Mr. Cundiff is also an active member on community boards, including serving as a board member with the Department of Parks and Recreation of the City and County of Honolulu, as a board member of the Honolulu Board of Water Supply, and as the Chair of the Hawaii Employer's Council. Your Committee recommends Mr. Cundiff be appointed as a member of the Small Business Regulatory Review Board based on his extensive experience, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Economic Development and Technology that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1597 Economic Development and Technology on Gov. Msg. Nos. 822, 823, and 824

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII STRATEGIC DEVELOPMENT CORPORATION

G.M. No. 822 ANN H. CHUNG, for a term to expire 6-30-2017;

G.M. No. 823 FRED HEMMINGS, for a term to expire 6-30-2019; and

G.M. No. 824 MICHAEL J. O'MALLEY, for a term to expire 6-30-2016

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Ann H. Chung, Fred Hemmings, and Michael J. O'Malley to possess the requisite qualifications to be nominated to the Board of Directors of Hawaii Strategic Development Corporation.

ANN H. CHUNG

Your Committee received testimony in support of the nomination of Ann H. Chung from the High Technology Development Corporation, Hawaii Strategic Development Corporation, and thirty-seven individuals.

Upon review of the testimony, your Committee finds that Ms. Chung's wide range of professional and academic experiences, as well as her extensive strategic management background, will serve her well on the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Ms. Chung is the Director of Special Projects at Navatek Ltd. She has previously served as the Director of Economic Development with the Office of the Mayor of the City and County of Honolulu. Ms. Chung is also an active member on community boards, including serving as a board member of the Honolulu Festival Foundation and Hawaii Medical Service Association Board, as well as a member of the Education Committee of the Chamber of Commerce Hawaii. Your Committee further finds that Ms. Chung has a thorough understanding of the role and responsibilities of Board members and recommends Ms. Chung be appointed to the Board of Directors of the Hawaii Strategic Development Corporation based on her extensive experience, knowledge, and dedication to public service.

FRED HEMMINGS

Your Committee did not receive any testimony regarding the nomination of Fred Hemmings.

Upon review of the testimony, your Committee finds that Mr. Hemmings' wide range of professional and academic experiences, as well as his extensive public service background, will serve him well on the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. Hemmings served as a Senator with the Hawaii State Senate for a decade and six years as a Representative with the Hawaii House of Representatives. Mr. Hemmings has also been an active member on community commissions and task forces, including serving as the Commissioner of the Governor's Economic Momentum Commission and as a member of the Hawaii 2050 Sustainability Task Force. Your Committee further finds that Mr. Hemmings has a thorough understanding of the role and responsibilities of Board members and recommends Mr. Hemmings be appointed to the Board of Directors of the Hawaii Strategic Development Corporation based on his extensive experience, knowledge, and dedication to public service.

MICHAEL J. O'MALLEY

Your Committee received testimony in support of the nomination of Michael J. O'Malley from the Hawaii Strategic Development Corporation and five individuals.

Upon review of the testimony, your Committee finds that Mr. O'Malley's wide range of professional and academic experiences, as well as his extensive legal background, will serve him well on the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. O'Malley is an attorney and partner with the law firm Goodsill, Anderson, Quinn & Stifel LLP. He previously served as the Director of PricewaterhouseCoopers. Mr. O'Malley is also an active member in professional and civic activities in the community, including serving as the Chair of the Kapiolani Health Foundation, Chair of the Tax Foundation of Hawaii, and a member of the American Bar Association. Your Committee further finds that Mr. O'Malley has a thorough understanding of the role and responsibilities of Board members and recommends Mr. O'Malley be appointed to the Board of Directors of the Hawaii Strategic Development Corporation based on his extensive experience, knowledge, and commitment to serving the public.

As affirmed by the records of votes of the members of your Committee on Economic Development and Technology that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 1598 Commerce and Consumer Protection on Gov. Msg. Nos. 600 and 601

Recommending that the Senate advise and consent to the nominations of the following:

PEST CONTROL BOARD

G.M. No. 600 TERRANCE MANAGO, for a term to expire 6-30-2019; and

G.M. No. 601 DAVID LAU, for a term to expire 6-30-2019 (as amended by GM862

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Terrance Manago and David Lau to possess the requisite qualifications to be nominated to the Pest Control Board.

TERRANCE MANAGO

Your Committee received testimony in support of the nomination of Terrance Manago from the Department of Commerce and Consumer Affairs, Hawaii Pest Control Association, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Manago's knowledge, experience, and proven leadership on the Pest Control Board qualify him for reappointment to the Pest Control Board as a licensed pest control operator member. Your Committee notes that Mr. Manago has thirty years of experience in the pest control industry, has been licensed as a pest control operator since 2000, and is the owner and operator of Hawaii Pest Solutions, Inc. Mr. Manago has been an active member of the Hawaii Pest Control

Association for many years, including serving as past President. Your Committee further finds that Mr. Manago has been a member of the Pest Control Board since July 2013 and is a diligent and contributing member of the Board's Applications Review and Examination Review Committees. Your Committee therefore recommends that Mr. Manago be reappointed to the Pest Control Board based on his extensive background, knowledge, and commitment to protecting consumers.

DAVID LAU

Your Committee received testimony in support of the nomination of David Lau from the Department of Commerce and Consumer Affairs, Hawaii Pest Control Association, and one individual.

Upon review of the testimony, your Committee finds that Mr. Lau's background, experience, and commitment to his industry qualify him for appointment to the Pest Control Board as a licensed pest control operator member. Your Committee notes that Mr. Lau has sixteen years of experience in the pest control industry and is the district manager for Ecolab Pest Elimination. Mr. Lau has also been actively involved with the Hawaii Pest Control Association for a number of years and has held many positions within the association, including serving as the current third Vice President and chair of the Industry Improvement and Standards and Education Committees. Your Committee further finds that Mr. Lau has a thorough understanding of the role and responsibilities of board members and recommends that Mr. Lau be appointed to the Pest Control Board based on his knowledge, background, and dedication to protecting and educating the public about the pest control industry.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1599 Commerce and Consumer Protection on Gov. Msg. Nos. 596 and 599

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF NURSING

G.M. No. 596 JUDY KODAMA, for a term to expire 6-30-2017; and

G.M. No. 599 OLIVIA KIM, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Judy Kodama and Olivia Kim to possess the requisite qualifications to be nominated to the State Board of Nursing.

JUDY KODAMA

Your Committee received testimony in support of the nomination of Judy Kodama from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Ms. Kodama's background, experience, and dedication to public service qualify her for appointment to the State Board of Nursing as a licensee member. Your Committee notes that Ms. Kodama has over thirty years of nursing experience, has been licensed as a registered nurse in Hawaii since 1983, and has a Master of Science in Nursing. Ms. Kodama currently serves as the Director of Nursing for the Maui Memorial Medical Center and has previously held a variety of positions in the nursing field, including as a flight nurse and a critical care nurse and manager. Your Committee further finds that Ms. Kodama has served as an interim member of the Board since July 2014 and has a thorough understanding of its role and responsibilities and therefore recommends that Ms. Kodama be appointed to the State Board of Nursing based on her knowledge, professional experience, and commitment to protecting consumers of the nursing profession.

OLIVIA KIM

Your Committee received testimony in support of the nomination of Olivia Kim from the Department of Commerce and Consumer Affairs, Healthcare Association of Hawaii, and seven individuals.

Upon review of the testimony, your Committee finds that Ms. Kim's background, experience, and commitment to her profession qualify her for appointment to the State Board of Nursing as a licensee member. Your Committee notes that Ms. Kim is a licensed practical nurse who has worked for several years in nursing and the management of assisted living services in the Honolulu area. Ms. Kim is currently the Director of Assisted Living and Memory Support at Kahala Niu, where she is tasked with responsibilities associated with assisted living services and providing nursing care. Ms. Kim has also indicated a strong desire to contribute to her community and continue her education and is currently pursuing her Bachelor of Science in Nursing. Your Committee further finds that Ms. Kim has a thorough understanding of the role and responsibilities of the Board and therefore recommends that Ms. Kim be appointed to the State Board of Nursing based on her knowledge, experience, and dedication to serving the public.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1600 Commerce and Consumer Protection on Gov. Msg. No. 595

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF CHIROPRACTIC EXAMINERS

G.M. No. 595 ROBERT KLEIN, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Robert Klein to possess the requisite qualifications to be nominated to the State Board of Chiropractic Examiners.

Your Committee received testimony in support of the nomination of Robert Klein from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Klein's background, experience, and proven leadership on the State Board of Chiropractic Examiners qualify him for reappointment to the State Board of Chiropractic Examiners as a chiropractor member. Your Committee notes that Dr. Klein has served the Hilo, Hawaii community as a licensed chiropractor since 1980. Dr. Klein is actively involved in his state and national professional organizations, including serving as the current Hawaii State Chiropractic Association's Director for East Hawaii and as an examiner for the National Board of Chiropractic Examiners. Dr. Klein has also served on the State Board of Chiropractic Examiners since July 2011, has been the Board's chairperson since November 2012, and is keenly aware of the issues faced by the Board. Your Committee further finds that Dr. Klein's extensive expertise remains a valuable asset to the State Board of Chiropractic Examiners and recommends that Dr. Klein be reappointed based on his knowledge, experience, and desire to contribute to the community.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1601 Commerce and Consumer Protection on Gov. Msg. Nos. 593 and 594

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF BARBERING AND COSMETOLOGY

G.M. No. 593 ANNE TOKUNAGA, for a term to expire 6-30-2017; and

G.M. No. 594 ANGELA HOWARD, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Anne Tokunaga and Angela Howard to possess the requisite qualifications to be nominated to the State Board of Barbering and Cosmetology.

ANNE TOKUNAGA

Your Committee received testimony in support of the nomination of Anne Tokunaga from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Ms. Tokunaga's background, experience, and commitment to public service qualify her for appointment to the State Board of Barbering and Cosmetology as a beauty operator member. Your Committee notes that Ms. Tokunaga has been licensed in Hawaii as an esthetician since 2001, a nail technician since 2004, and a cosmetologist since 2014, and has utilized her considerable knowledge of and experience in the beauty industry in a variety of settings, including beauty salons, wedding planning services, resorts, and in a plastic surgery medical clinic. Your Committee further finds that Ms. Tokunaga has served as an interim member of the State Board of Barbering and Cosmetology since September 2014 and has a thorough understanding of the role and responsibilities of board members and therefore recommends that Ms. Tokunaga be appointed to the State Board of Barbering and Cosmetology based on her knowledge, experience, and dedication to her industry.

ANGELA HOWARD

Your Committee received testimony in support of the nomination of Angela Howard from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Ms. Howard's background, experience, and proven leadership on the State Board of Barbering and Cosmetology qualify her for reappointment to the State Board of Barbering and Cosmetology as a public member. Your Committee notes that Ms. Howard has been the managing director for Paul Brown, Inc., an internationally-recognized hair services and products corporation with multiple locations in Hawaii, for over twenty years. Your Committee further finds that Ms. Howard has served as a public member of the State Board of Barbering and Cosmetology since July 2011 and her working knowledge of the beauty industry has enabled her to contribute a valuable perspective to the Board and effectively advocate for consumer interests. Your Committee therefore recommends that Ms. Howard be reappointed to the State Board of Barbering and Cosmetology based on her knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1602 Commerce and Consumer Protection on Gov. Msg. No. 592

Recommending that the Senate advise and consent to the nomination of the following:

REAL ESTATE COMMISSION

G.M. No. 592 ALETA KLEIN, for a term to expire 6-30-2017

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Aleta Klein to possess the requisite qualifications to be nominated to the Real Estate Commission.

Your Committee received testimony in support of the nomination of Aleta Klein from the Department of Commerce and Consumer Affairs, Hawai'i Association of REALTORS, and eight individuals.

Upon review of the testimony, your Committee finds that Ms. Klein's background, experience, and commitment to her industry qualify her for appointment to the Real Estate Commission as a real estate broker member representing the City and County of Honolulu. Your Committee notes that Ms. Klein has maintained a real estate broker's license since 1979 and has been the President and Principal Broker of her company, KleinCo, LLC, since 2002. Ms. Klein is also actively involved with the Hawaii Association of REALTORS, where she has served in a variety of leadership roles and committee positions. Your Committee further finds that Ms. Klein has served as an interim member on the Commission since July 2014 and has a thorough understanding of the role and responsibilities of board members, and therefore recommends that Ms. Klein be appointed to the Real Estate Commission based on her knowledge, experience, and dedication to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1603 Commerce and Consumer Protection on Gov. Msg. Nos. 587, 588, 589, 590, and 591

Recommending that the Senate advise and consent to the nominations of the following:

MOTOR VEHICLE INDUSTRY LICENSING BOARD

G.M. No. 587 WAYNE DE LUZ, for a term to expire 6-30-2015;

G.M. No. 588 WAYNE DE LUZ, for a term to expire 6-30-2019;

G.M. No. 589 CARL D. JOHNSEN, for a term to expire 6-30-2019;

G.M. No. 590 RUSSELL WONG, for a term to expire 6-30-2019; and

G.M. No. 591 BYRON HANSEN, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Wayne De Luz, Carl D. Johnsen, Russell Wong, and Byron Hansen to possess the requisite qualifications to be nominated to the Motor Vehicle Industry Licensing Board.

WAYNE DE LUZ

Your Committee received testimony in support of the nomination of Wayne De Luz from the Department of Commerce and Consumer Affairs, Hawaii Automobile Dealers Association, and two individuals.

Upon review of the testimony, your Committee finds that Mr. De Luz's background, experience, and desire to contribute to the community qualify him for appointment and reappointment to the Motor Vehicle Industry Licensing Board as an industry member. Your Committee notes that Mr. De Luz has over thirty years of experience with the automotive industry in Hawaii, is currently the Owner and President of Big Island Motors, Inc., in Hilo, and has been a board member of the Hawaii Automobile Dealers Association for over sixteen years. Your Committee further finds that Mr. De Luz has served as an interim appointee on the Motor Vehicle Industry Licensing Board since August 2014, and his years of experience in the motor vehicle industry continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. De Luz be appointed and reappointed to the Motor Vehicle Industry Licensing Board based on his knowledge, experience, and commitment to protecting automobile consumers.

CARL D. JOHNSEN

Your Committee received testimony in support of the nomination of Carl D. Johnsen from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Johnsen's background, commitment to public service, and proven leadership on the Motor Vehicle Industry Licensing Board qualify him for reappointment to the Motor Vehicle Industry Licensing Board as a public member. Your Committee notes that Mr. Johnsen's background is in commercial real estate, and he has been a leader in the Hawaii shopping center industry for over thirty years. Mr. Johnsen's experience in a regulated industry has also provided him with valuable insight into the State's regulatory system. Your Committee further finds that Mr. Johnsen has been a member of the Motor Vehicle Industry Licensing Board since July 2011, and his keen understanding and ability to represent consumers' interests continue to enhance discussions of the Board. Your Committee therefore recommends that Mr. Johnsen be reappointed to the Motor Vehicle Industry Licensing Board based on his knowledge and desire to contribute to the community.

RUSSELL WONG

Your Committee received testimony in support of the nomination of Russell Wong from the Department of Commerce and Consumer Affairs, Hawaii Automobile Dealers Association, and one individual.

Upon review of the testimony, your Committee finds that Mr. Wong's background, experience, and desire to contribute to the community qualify him for appointment to the Motor Vehicle Industry Licensing Board as an industry member. Your Committee

notes that Mr. Wong has over thirty years of experience in the automotive industry, including executive leadership positions in automotive finance and dealership operations, and is currently the Chief Operating Officer for Aloha Auto Group, Ltd. Mr. Wong has also been a member of various industry and business groups and previously served as the Director of the Better Business Bureau of Hawaii. Your Committee further finds that Mr. Wong understands the role and responsibilities of board members and his automotive industry background and business knowledge will be an asset to the discussions of the board. Your Committee therefore recommends that Mr. Wong be appointed to the Motor Vehicle Industry Licensing Board based on his knowledge, experience, and commitment to advocating for consumer rights.

BYRON HANSEN

Your Committee received testimony in support of the nomination of Byron Hansen from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Hansen's background, experience, and commitment to public service qualify him for appointment to the Motor Vehicle Industry Licensing Board as a public member. Your Committee notes that Mr. Hansen's background includes almost twenty years working for Volkswagen Hawaii in a dealer support role, and later, almost thirty years with Bank of Hawaii, where he held positions of responsibility in consumer and commercial lending. Mr. Hansen is also a former licensed realtor and has an understanding of the State's licensing process from the perspective of a professional licensee. Your Committee further finds that Mr. Hansen has a thorough understanding of the role and responsibilities of board members, and his experience in the automotive and banking fields will be an asset in the course of board discussions. Your Committee therefore recommends that Mr. Hansen be appointed to the Motor Vehicle Industry Licensing Board based on his knowledge, background, and commitment to serving the public.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1604 Commerce and Consumer Protection on Gov. Msg. Nos. 580, 581, 582, 583, 584, 585, and 586

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII MEDICAL BOARD

G.M. No. 580 PETER HALFORD, MD, for a term to expire 6-30-2018;

G.M. No. 581 DARREN EGAMI, MD, for a term to expire 6-30-2018;

G.M. No. 582 PALASI-SAM PULETASI, for a term to expire 6-30-2019;

G.M. No. 583 JONE GEIMER-FLANDERS, DO, for a term to expire 6-30-2015;

G.M. No. 584 JONE GEIMER-FLANDERS, DO, for a term to expire 6-30-2019;

G.M. No. 585 GERARD AKAKA, MD, for a term to expire 6-30-2019; and

G.M. No. 586 SHARON BINTLIFF, MD, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Peter Halford, Darren Egami, Palasi "Sam" Puletasi, Jone Geimer-Flanders, Gerard Akaka, and Sharon Bintliff to possess the requisite qualifications to be nominated to the Hawaii Medical Board.

PETER HALFORD

Your Committee received testimony in support of the nomination of Peter Halford from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, The Queen's Health Systems, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Halford's background, experience, and dedication to the community qualify him for appointment to the Hawaii Medical Board as a surgeon member. Your Committee notes that Dr. Halford is a surgeon who has held numerous positions with the John A. Burns School of Medicine, including serving as the current Director of Surgical Education, and has been licensed in Hawaii since 1972. Dr. Halford also serves as the Chair of the Credentials Committee for The Queen's Medical Center, a position which requires him to be familiar with the license requirements and scope of practice for physicians. Your Committee further finds that Dr. Halford has served as an interim member of the Hawaii Medical Board since July 2014, has a thorough understanding of the role and responsibilities of board members, and recommends that Dr. Halford be appointed to the Hawaii Medical Board based on his knowledge, experience, and commitment to public service.

DARREN EGAMI

Your Committee received testimony in support of the nomination of Darren Egami from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, and one individual.

Upon review of the testimony, your Committee finds that Dr. Egami's background, experience, and dedication to serving the public qualify him for appointment to the Hawaii Medical Board as a physician member. Your Committee notes that Dr. Egami is an orthopedic surgeon in private practice on Maui and has been licensed in Hawaii since 1994. Dr. Egami is the Medical Staff President of the Aloha Surgical Center, previously served as the Chief of Staff for Maui Memorial Medical Center and as the President for the Maui County Medical Society, and has been involved with credentialing and peer review for over ten years. Your Committee further finds that Dr. Egami has served as an interim member of the Hawaii Medical Board since November 2014 and has a thorough

understanding of the role and responsibilities of board members, and recommends that Dr. Egami be appointed to the Hawaii Medical Board based on his knowledge, experience, and desire to contribute to the community.

PALASI "SAM" PULETASI

Your Committee received testimony in support of the nomination of Palasi "Sam" Puletasi from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Puletasi's experience, background, and proven leadership on the Hawaii Medical Board qualify him for reappointment to the Hawaii Medical Board as a public member. Your Committee notes that Mr. Puletasi has an extensive federal law enforcement background, having served first as an agent for the United States Department of Justice, Immigration and Naturalization Service and later as a senior special agent for the United States Department of Homeland Security, Immigration and Customs Enforcement. Mr. Puletasi has also demonstrated a strong commitment to his community and public service through active participation in various community and volunteer organizations. Your Committee further finds that Mr. Puletasi has been a member of the Hawaii Medical Board since July 2011, and his insight from the public consumer perspective continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Puletasi be reappointed to the Hawaii Medical Board based on his background and commitment to public service.

JONE GEIMER-FLANDERS

Your Committee received testimony in support of the nomination of Jone Geimer-Flanders from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, and three individuals.

Upon review of the testimony, your Committee finds that Dr. Geimer-Flanders' background, experience, and dedication to serving the community qualify her for appointment and reappointment to the Hawaii Medical Board as an osteopathic physician member. Your Committee notes that Dr. Geimer-Flanders is a board-certified cardiologist and internal medicine physician and has been licensed in Hawaii since 2006. Dr. Geimer-Flanders is the Chief of Inpatient Medical Services at Tripler Army Medical Center and the Medical Director for Mountain-Pacific Quality Health. Dr. Geimer-Flanders has also served on numerous peer review, credentials, and quality risk management committees throughout her career. Your Committee further finds that Dr. Geimer-Flanders has served as an interim member of the Hawaii Medical Board since July 2014 and has a thorough understanding of the role and responsibilities of board members, and recommends that Dr. Geimer-Flanders be appointed and reappointed to the Hawaii Medical Board based on her knowledge, experience, and commitment to public service.

GERARD AKAKA

Your Committee received testimony in support of the nomination of Gerard Akaka from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, The Queen's Health Systems, and one individual.

Upon review of the testimony, your Committee finds that Dr. Akaka's experience, desire to contribute to the community, and proven leadership on the Hawaii Medical Board qualify him for reappointment to the Hawaii Medical Board as a physician member. Your Committee notes that Dr. Akaka has been licensed in Hawaii since 1991 and is the Vice President of Medical Affairs and Chief Medical Officer for The Queen's Medical Center, a position which enables Dr. Akaka to work with credentialing, peer review, physicians, and physician issues. Dr. Akaka is also the Medical Director for The Queen's Health Systems' Native Hawaiian Health Program and is on the clinical faculty at the John A. Burns School of Medicine. Your Committee further finds that Dr. Akaka has served on the Hawaii Medical Board since July 2011, and his extensive medical experience continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Akaka be reappointed to the Hawaii Medical Board based on his knowledge, background, and commitment to public service.

SHARON BINTLIFF

Your Committee received testimony in support of the nomination of Sharon Bintliff from the Department of Commerce and Consumer Affairs and Hawaii Medical Association.

Upon review of the testimony, your Committee finds that Dr. Bintliff's extensive experience, background, and proven leadership on the Hawaii Medical Board qualify her for reappointment to the Hawaii Medical Board as a physician member. Your Committee notes that Dr. Bintliff has practiced medicine in Hawaii, as an academic and in clinical and community practice, for almost fifty years. Dr. Bintliff is currently the owner and practicing physician for The Resort Docs and a Clinical Professor of Surgery and Pediatrics at the John A. Burns School of Medicine and previously served as the Director for the Emergency Department of Hale Ho'ola Hamakua Hospital. Your Committee further finds that Dr. Bintliff has served on the Hawaii Medical Board since July 2011 and has been the Vice Chair of the Board since 2014, and her medical background and prior experience on several other boards and organizations continue to be an asset to the Board. Your Committee therefore recommends that Dr. Bintliff be reappointed to the Hawaii Medical Board based on her knowledge, background, and commitment to protecting the public.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1605 Commerce and Consumer Protection on Gov. Msg. Nos. 575, 576, 577, 578, and 579

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PROFESSIONAL ENGINEERS, ARCHITECTS, SURVEYORS, AND LANDSCAPE ARCHITECTS

G.M. No. 575 ALAN INABA, for a term to expire 6-30-2019;

- G.M. No. 576 RON IWAMOTO, for a term to expire 6-30-2018;
G.M. No. 577 CLAYTON PANG, for a term to expire 6-30-2017;
G.M. No. 578 MARC VENTURA, for a term to expire 6-30-2016; and
G.M. No. 579 JOYCE NOE, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alan Inaba, Ron Iwamoto, Clayton Pang, Marc Ventura, and Joyce Noe to possess the requisite qualifications to be nominated to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects.

ALAN INABA

Your Committee received testimony in support of the nomination of Alan Inaba from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Mr. Inaba's background, experience, and dedication to serving the community qualify him for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a land surveyor member. Your Committee notes that Mr. Inaba has been a licensed professional land surveyor in Hawaii since 1984 and is the principal surveyor for Inaba Engineering, Inc., a well-established family business that provides surveying and engineering services in Hilo, Hawaii. Mr. Inaba is also active in his community and is a member of the Hawaii Community College Career and Technical Education Advisory Council, where he serves as an advisor to the Architectural, Engineering, and CAD Technologies program. Your Committee further finds that Mr. Inaba has a thorough understanding of the role and responsibilities of board members and his experience in the field of surveying will be an asset to the Board. Your Committee therefore recommends that Mr. Inaba be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his knowledge, experience, and commitment to public service.

RON IWAMOTO

Your Committee received testimony in support of the nomination of Ron Iwamoto from the Department of Commerce and Consumer Affairs and five individuals.

Upon review of the testimony, your Committee finds that Mr. Iwamoto's background, experience, and dedication to serving the public qualify him for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a professional engineer member. Your Committee notes that Mr. Iwamoto has been a licensed professional structural engineer since 1996 and is the owner and principal of his firm Iwamoto & Associates, LLC. Mr. Iwamoto is also active in his community and in several professional organizations, including serving as past President for the Structural Engineers Association of Hawaii and the Hawaii Section of the American Society of Civil Engineers. Your Committee further finds that Mr. Iwamoto has served as an interim member of the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects since October 2014 and his specialized expertise on issues related to structural engineering continues to be an asset to the Board. Your Committee therefore recommends that Mr. Iwamoto be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his knowledge, professional experience, and commitment to public service.

CLAYTON PANG

Your Committee received testimony in support of the nomination of Clayton Pang from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Pang's knowledge, background, and prior experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him for reappointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a professional engineer member. Your Committee notes that Mr. Pang has been licensed as a professional engineer since 1976 and is the president and principal electrical engineer of his company Electech Hawaii, Inc. Mr. Pang is also active in his community and is a member of several professional organizations, including the Association of Energy Engineers and the National Society of Professional Engineers. Your Committee further finds that Mr. Pang has served on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects for the last six years, has represented the Board at national and regional conferences, and continues to bring his knowledge and insights regarding electrical engineering to the Board. Your Committee therefore recommends that Mr. Pang be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his background, experience, and commitment to his profession.

MARC VENTURA

Your Committee received testimony in support of the nomination of Marc Ventura from the Department of Commerce and Consumer Affairs; Shioi Construction, Inc.; and two individuals.

Upon review of the testimony, your Committee finds that Mr. Ventura's professional background, commitment to serving the public, and previous experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as an architect member. Your Committee notes that Mr. Ventura has over twenty years of experience in the field of architecture, has been licensed in Hawaii and California since 1992, and is the founder and principal of his architectural firm, which he founded in Lihue, Kauai, in 1995. Your Committee further finds that Mr. Ventura is familiar with board procedures and protocol by virtue of his prior experience serving on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects and his insight into the issues facing the design and construction industry on Kauai and the State will enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Ventura be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his experience, knowledge, and desire to contribute to the community.

JOYCE NOE

Your Committee received testimony in support of the nomination of Joyce Noe from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Noe's background, experience, and dedication to public service qualify her for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as an architect member. Your Committee notes that Ms. Noe has over four decades of experience in the architectural field and has been the consultant architect for her own practice since 1994. Ms. Noe is also a long-term tenured faculty member of the School of Architecture at the University of Hawaii at Manoa, where she teaches design studio and architecture practice courses at the graduate and undergraduate levels and contributed to the establishment of the only accredited Architecture Doctorate program in the country. Your Committee further finds that Ms. Noe has a thorough understanding of the role and responsibilities of board members and her professional and academic experience in the field of architecture will be an outstanding addition to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects. Your Committee therefore recommends that Ms. Noe be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on her extensive experience, knowledge, and commitment to her industry and the protection of public welfare.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1606 Commerce and Consumer Protection on Gov. Msg. Nos. 570, 571, and 572

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY

G.M. No. 570 SHANNON CHING, for a term to expire 6-30-2017;

G.M. No. 571 VALERY O'BRIEN, for a term to expire 6-30-2017; and

G.M. No. 572 JUNE UYEHARA ISONO, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Shannon Ching, Valery O'Brien, and June Uyehara-Isono to possess the requisite qualifications to be nominated to the Board of Speech Pathology and Audiology.

SHANNON CHING

Your Committee received testimony in support of the nomination of Shannon Ching from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Ching's background, experience, and commitment to public service qualify him for appointment to the Board of Speech Pathology and Audiology as an audiologist member. Your Committee notes that Dr. Ching has private audiology practices in Hilo and Honolulu, consults for a medical clinic on Kauai, and is the audiology consultant for the District 50 Hawaii Lions Club hearing screening program. Your Committee further finds that Dr. Ching is an adjunct faculty member for the Department of Communication Sciences and Disorders at the University of Hawaii and previously served as the Chair of the Board of Speech Pathology and Audiology from 1989 through 1992. Your Committee therefore recommends that Dr. Ching be appointed to the Board of Speech Pathology and Audiology based on his knowledge, experience, and commitment to serving the community.

VALERY O'BRIEN

Your Committee received testimony in support of the nomination of Valery O'Brien from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Ms. O'Brien's background, experience, and commitment to community service qualify her for appointment to the Board of Speech Pathology and Audiology as a public member. Your Committee notes that Ms. O'Brien has a background in marketing and retired in 2014 after many years of working for Kamehameha Schools. Ms. O'Brien is active in various charitable organizations, including serving as the program chair for Easter Seals Hawaii. Your Committee further finds that Ms. O'Brien has served as an interim board member since July 2014 and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Ms. O'Brien be appointed to the Board of Speech Pathology and Audiology based on her knowledge, experience, and dedication to public service.

JUNE UYEHARA-ISONO

Your Committee received testimony in support of the nomination of June Uyehara-Isono from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Uyehara-Isono's background, knowledge, and previous experience on the Board of Speech Pathology and Audiology qualify her for reappointment to the Board of Speech Pathology and Audiology as an audiologist member. Your Committee notes that Dr. Uyehara-Isono has been a licensed audiologist in private practice for over three decades and has clinical service locations in Honolulu, Hilo, and Kailua-Kona. Your Committee further finds that Dr. Uyehara-Isono has been a member of the Board of Speech Pathology and Audiology since July 2012 and her knowledge of the field of audiology continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Uyehara-Isono be reappointed to the Board of Speech Pathology and Audiology based on her knowledge, experience, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1607 Commerce and Consumer Protection on Gov. Msg. No. 556

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF ACUPUNCTURE

G.M. No. 556 JAMES CORCORAN, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds James Corcoran to possess the requisite qualifications to be nominated to the Board of Acupuncture.

Your Committee received testimony in support of the nomination of James Corcoran from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Corcoran's knowledge, academic background, and proven experience on the Board of Acupuncture qualify him for reappointment to the Board of Acupuncture as a public member. Your Committee notes that Dr. Corcoran has a Ph.D. in Modern Chinese History and a Master's degree in Asian Studies with a concentration in Chinese history from the University of Hawaii. In the classes that Dr. Corcoran teaches at the University of Hawaii at Manoa and Hawaii Pacific University that pertain to China, he invites professional acupuncturists to teach class sessions on traditional Chinese medicine and acupuncture. Dr. Corcoran has also worked to familiarize his students, especially those who have served in the military, with the acupuncture program offered at Tripler Army Medical Center. Your Committee further finds that Dr. Corcoran has served on the Board of Acupuncture since July 2012 and his insight from the public perspective continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Corcoran be reappointed to the Board of Acupuncture based on his knowledge, experience, and dedication to broadening the general public's awareness of traditional Chinese medicine and acupuncture.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1608 Commerce and Consumer Protection on Gov. Msg. Nos. 557 and 558

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PRIVATE DETECTIVES AND GUARDS

G.M. No. 557 HARRY KUBOJIRI, for a term to expire 6-30-2015; and

G.M. No. 558 HARRY KUBOJIRI, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Harry Kubojiri to possess the requisite qualifications to be nominated to the Board of Private Detectives and Guards.

Your Committee received testimony in support of the nomination of Harry Kubojiri from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Police Chief Kubojiri's background and prior experience on the Board of Private Detectives and Guards qualify him for appointment and reappointment to the Board of Private Detectives and Guards as a chief of police member. Your Committee notes that Police Chief Kubojiri has been with the Hawaii Police Department for over thirty-five years and is the Department's current Chief of Police. Police Chief Kubojiri is also an active participant in various enforcement associations, such as the National Tactical Officers Association and the International Association of Chiefs of Police. Your Committee further finds that Police Chief Kubojiri has served as an interim member of the Board of Private Detectives and Guards since August 2014 and has a thorough understanding of the role and responsibilities of board members and therefore recommends that Police Chief Kubojiri be appointed and reappointed to the Board of Private Detectives and Guards based on his knowledge, experience, and dedication to protecting and serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1609 Commerce and Consumer Protection on Gov. Msg. Nos. 559, 560, 561, and 562

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PHYSICAL THERAPY

G.M. No. 559 DEBRA KUBOTA, for a term to expire 6-30-2019;

G.M. No. 560 RACHELLE IOPA, for a term to expire 6-30-2019;

G.M. No. 561 MICHAEL TURNER, for a term to expire 6-30-2019; and

G.M. No. 562 JILL WAKABAYASHI, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Debra Kubota, Rachelle Iopa, Michael Turner, and Jill Wakabayashi to possess the requisite qualifications to be nominated to the Board of Physical Therapy.

DEBRA KUBOTA

Your Committee received testimony in support of the nomination of Debra Kubota from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Ms. Kubota's background, experience, and proven leadership on the Board of Physical Therapy qualify her for reappointment to the Board of Physical Therapy as a physical therapist member. Your Committee notes that Ms. Kubota has been a physical therapist in Hawaii for thirty-five years and has experience in several physical therapy settings, including acute care, skilled nursing facilities, and outpatient clinics. Your Committee further finds that Ms. Kubota has been a member of the Board of Physical Therapy since July 2012 and has recently volunteered to take the lead in developing a jurisprudence course that will be required of all physical therapists renewing their licenses in Hawaii by the end of next year. Your Committee therefore recommends that Ms. Kubota be reappointed to the Board of Physical Therapy based on her knowledge, background, and dedication to upholding the high standards of her profession.

RACHELLE IOPA

Your Committee received testimony in support of the nomination of Rachelle Iopa from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Dr. Iopa's knowledge, background, and proven leadership on the Board of Physical Therapy qualify her for reappointment to the Board of Physical Therapy as a physical therapist member. Your Committee notes that Dr. Iopa received her Doctor of Physical Therapy in 2001 and is the President and founder of her physical therapy clinic, Kaimuki Care. Dr. Iopa specializes in shoulder and neck injuries, has experience in vestibular rehabilitation, and is skilled at treating patients with complicated disorders. Your Committee further finds that Dr. Iopa has been a member of the Board of Physical Therapy since July 2011 and was involved in implementing continuing competency requirements for licensed physical therapists and licensed physical therapy assistants in Hawaii. Your Committee therefore recommends that Dr. Iopa be reappointed to the Board of Physical Therapy based on her background, experience, and commitment to her profession.

MICHAEL TURNER

Your Committee received testimony in support of the nomination of Michael Turner from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Turner's background, experience, and prior leadership on the Board of Physical Therapy qualify him for appointment to the Board of Physical Therapy as a physical therapist member. Your Committee notes that Dr. Turner has been a practicing physical therapist for twenty-two years, received his Doctor of Physical Therapy in 2012, and is the owner, manager, and practicing primary therapist for his private physical therapy group practice, OrthoSport Hawaii. Your Committee further finds that Dr. Turner has a thorough understanding of the role and responsibilities of board members by virtue of his previous experience as Chair of the Board of Physical Therapy and Vice President of the Colorado chapter of the American Physical Therapy Association. Your Committee therefore recommends that Dr. Turner be appointed to the Board of Physical Therapy based on his knowledge, experience, and commitment to serving the public.

JILL WAKABAYASHI

Your Committee received testimony in support of the nomination of Jill Wakabayashi from the Department of Commerce and Consumer Affairs, Diamond Head Theatre, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Wakabayashi's knowledge, experience, and commitment to public service qualify her for appointment to the Board of Physical Therapy as a physical therapist assistant member. Your Committee notes that Ms. Wakabayashi has been actively involved in the physical therapy profession since the 1990s and has been an Assistant Professor since 1999 and the Program Director since 2002 of the Physical Therapy Assistant Program at Kapiolani Community College. Ms. Wakabayashi was also the first physical therapist assistant to represent Hawaii at the American Physical Therapy Association's annual meetings and the first to serve on the board of the Association's Hawaii chapter. Your Committee further finds that Ms. Wakabayashi has a thorough understanding of the role and responsibilities of board members and recommends that Ms. Wakabayashi be appointed to the Board of Physical Therapy based on her background, experience, and enthusiastic commitment to her profession.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1610 Commerce and Consumer Protection on Gov. Msg. Nos. 563 and 564

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PSYCHOLOGY

G.M. No. 563 LISA CHUN FAT, for a term to expire 6-30-2019; and

G.M. No. 564 BRIAN COMBS, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Lisa Chun Fat and Brian Combs to possess the requisite qualifications to be nominated to the Board of Psychology.

LISA CHUN FAT

Your Committee received testimony in support of the nomination of Lisa Chun Fat from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Chun Fat's background, dedication to serving her community, and proven experience on the Board of Psychology qualify her for reappointment to the Board of Psychology as a public member. Your Committee notes that Ms. Chun Fat has been a licensed mental health counselor in Hawaii since 2014 and is a member of the American Counseling Association and the Hawaii Counseling Association. Ms. Chun Fat also has over twenty-six years of experience as a legal secretary for a law firm in Honolulu. Your Committee further finds that Ms. Chun Fat has served on the Board of Psychology since September 2011, and her insights from the public's perspective have been invaluable to the deliberations of the Board. Your Committee therefore recommends that Ms. Chun Fat be reappointed to the Board of Psychology based on her knowledge, background, and commitment to public service.

BRIAN COMBS

Your Committee received testimony in support of the nomination of Brian Combs from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Combs' knowledge, background, and proven experience on the Board of Psychology qualify him for reappointment to the Board of Psychology as a psychologist member. Your Committee notes that Dr. Combs is a neuropsychologist in independent practice and is a staff member in the Department of Psychology at Tripler Army Medical Center. Dr. Combs has been licensed as a psychologist in Hawaii since 1992 and is board certified by the American Board of Professional Psychology and the American Board of Clinical Neuropsychology. Your Committee further finds that Dr. Combs was first appointed to the Board of Psychology in 2012, and his background and years of experience as a psychologist continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Combs be reappointed to the Board of Psychology based on his experience, background, and dedication to serving his community.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1611 Commerce and Consumer Protection on Gov. Msg. Nos. 565, 566, 567, 568, and 569

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DENTAL EXAMINERS

G.M. No. 565 RODNEY CHING, for a term to expire 6-30-2019;

G.M. No. 566 PAUL GUEVARA, for a term to expire 6-30-2019;

G.M. No. 567 MARIANNE TIMMERMAN, for a term to expire 6-30-2019;

G.M. No. 568 COY REBMANN, for a term to expire 6-30-2019; and

G.M. No. 569 CANDACE WADA, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Rodney Ching, Paul Guevara, Marianne Timmerman, Coy Rebmman, and Candace Wada to possess the requisite qualifications to be nominated to the Board of Dental Examiners.

RODNEY CHING

Your Committee received testimony in support of the nomination of Rodney Ching from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Ching's knowledge, background, and proven leadership on the Board of Dental Examiners qualify him for reappointment to the Board of Dental Examiners as a public member. Your Committee notes that Mr. Ching has been a practicing attorney for approximately thirty years and has a wide variety of previous work experience, including working in private practice, as an attorney for the State and the City and County of Honolulu, and serving as a per diem Family Court Judge. Your Committee further finds that Mr. Ching has been a member of the Board of Dental Examiners since November 2012, and his legal experience and ability to provide a public perspective continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Ching be reappointed to the Board of Dental Examiners based on his background, experience, and dedication to serving the community.

PAUL GUEVARA

Your Committee received testimony in support of the nomination of Paul Guevara from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Guevara's background, experience, and proven leadership on the Board of Dental Examiners qualify him for reappointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Guevara has been a dentist for over nineteen years, has been licensed in Hawaii since 2003, and currently maintains a private practice limited to endodontics in Waipahu, Oahu. Dr. Guevara also serves as the Deputy Commander for the Medical Detachment of the Hawaii Army National Guard, where he holds the rank of Colonel. Your Committee further finds that Dr. Guevara has been a member of the Board of Dental Examiners since September 2011, currently serves as the Board's Vice Chair, and is the Board's representative at national meetings. Your Committee therefore recommends that Dr. Guevara be reappointed to the Board of Dental Examiners based on his knowledge, experience, and commitment to public service.

MARIANNE TIMMERMAN

Your Committee received testimony in support of the nomination of Marianne Timmerman from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Timmerman's background, experience, and proven leadership on the Board of Dental Examiners qualify her for reappointment to the Board of Dental Examiners as a dental hygienist member. Your Committee notes that Ms. Timmerman has been licensed as a dental hygienist in Hawaii since 1991 and is currently employed with Dr. D. Mark Beavers, D.D.S., at his family dental practice in Kailua. Ms. Timmerman is also a member of the Hawaii Dental Hygienists' Association, where she has served in a variety of leadership roles, and the American Dental Hygienists' Association. Your Committee further finds that Ms. Timmerman has been a member of the Board of Dental Examiners since May 2014 and currently serves as a member of the Board's legislative committee, and recommends that Ms. Timmerman be reappointed to the Board of Dental Examiners based on her knowledge, experience, and dedication to serving the community.

COY REBMANN

Your Committee received testimony in support of the nomination of Coy Rebmman from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Rebmman's background, experience, and commitment to his profession qualify him for appointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Rebmman has been a licensed dentist since 1994 and is the owner of his general dentistry private practice in Lihue, Kauai. Dr. Rebmman has previous leadership by virtue of his participation within his professional organizations, including previously serving on the Board of Trustees for the Hawaii Dental Association and serving as past President for the Kauai County Dental Society. Your Committee further finds that Dr. Rebmman has a thorough understanding of the role and responsibilities of board members and recommends that Dr. Rebmman be appointed to the Board of Dental Examiners based on his knowledge, experience, and dedication to serving his community.

CANDACE WADA

Your Committee received testimony in support of the nomination of Candace Wada from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Wada's background, experience, and proven leadership on the Board of Dental Examiners qualify her for reappointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Wada has been a practicing dentist for over thirty years, first in California and later in Hawaii, where she has been licensed since 1997. Dr. Wada is also active in the Hawaii Dental Association and is an active member and examiner with The Commission on Dental Competency Assessments, where she serves on the steering committee with other dental board members from across the country. Your Committee further finds that Dr. Wada is currently a member of the Board of Dental Examiners, serves as the chair of the Board's applications committee, and recommends that Dr. Wada be reappointed to the Board of Dental Examiners based on her knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1612 Economic Development and Technology on Gov. Msg. No. 845

Recommending that the Senate advise and consent to the nomination of the following:

CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

G.M. No. 845 TODD NACAPUY, for a term to expire 12-3-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Todd Nacapuy to possess the requisite qualifications to be nominated as the Chief Information Officer.

Your Committee received testimony in support of the nomination of Todd Nacapuy from Governor Ige, Department of Labor and Industrial Relations, Department of Transportation, Department of Human Services, Department of Accounting and General Services, and eighteen individuals.

Your Committee notes that Mr. Nacapuy is currently the Senior Technical Account Manager with Microsoft and has served with this organization for the past decade. He has previously served as the Senior Infrastructure Specialist with EDS. Mr. Nacapuy has

extensive experience with application development, integration, deployment, and support. He is also knowledgeable in the fields of information technology strategy and business systems planning. These useful experiences will enhance the effectiveness of the State's information technology system. Your Committee further notes that Mr. Nacapuy's testimony has effectively illustrated the changes he would bring to the state information technology system in his capacity as Chief Information Officer, specifically the advantages of the State employing an individual with enterprise class software skills, rather than continuing the existing state practice of hiring consultants for sophisticated software-related tasks.

Your Committee finds that Mr. Nacapuy's wide range of professional and academic experiences, as well as his extensive technical background, will serve him well as the Chief Information Officer.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1613 Agriculture on H.C.R. No. 187

The purpose and intent of this measure is to request the Department of Agriculture to convene a task force to clarify and coordinate agricultural-based commercial support of bona fide farming operations across the State.

Your Committee received testimony in support of this measure from the City and County of Honolulu Department of Planning and Permitting; Hawaii Farm Bureau; Larry Jefts Farms, LLC; Kauai Kunana Dairy; and one individual. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that bona fide farming operations should be able to generate additional revenue from commercial activities accessory and secondary to agricultural production without burdensome regulation. Your Committee further finds that "bona fide farming operation" and "small farm" are not clearly defined terms and the lack of definitions makes regulation of agricultural-based commercial operations accessory to bona fide farming operations difficult for the counties. Additionally, many regulations are particularly burdensome for small-scale farmers.

Your Committee acknowledges the concerns of the Department of Agriculture regarding the lack of resources necessary to effectively convene a task force consisting of membership from across the State. Your Committee therefore supports any alternative means to achieving the goals of this measure without the need to formally convene a task force. Your Committee recommends passage of this measure to facilitate further discussion of ways to identify specific barriers to legitimate agricultural-based commercial operations and find practical solutions to assist farmers and the counties through the approval process for agricultural-based commercial operations.

Your Committee has amended this measure by:

- (1) Rewriting a legislative finding for clarity;
- (2) Correcting statutory references to section 205-2(d)(15), Hawaii Revised Statutes;
- (3) Amending legislative findings to use the term "agricultural-based commercial operations" throughout for consistency;
- (4) Amending its title for consistency; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 187, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 187, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1614 Transportation on H.C.R. No. 78

The purpose and intent of this measure is to request the Governor and Department of Transportation to include in the 2017-2018 Supplemental Capital Improvement Program request improvements to cruise ship passenger terminals at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii.

Your Committee received testimony in support of this measure from the Department of Transportation and Cruise Lines International Association - North West and Canada.

Your Committee finds that while the Department of Transportation has increased the passengers' fees for cruise ship passengers, it has not, except for the improvements to Pier 2 at Honolulu Harbor, included in its Capital Improvement Program the design and construction of cruise ship passenger facilities for each of its major commercial ports serving passenger vessels.

In addition, the Hawaii Tourism Authority is funding a statewide vessel scheduling system for cruise line agents to have online access to reserve and schedule passenger vessels at the Department of Land and Natural Resources small boat harbors at Kona and Lahaina and Department of Transportation Harbors Division commercial ports at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii.

Improvements to the State's cruise ship passenger facilities will enhance Hawaii's tourism brand.

Your Committee has amended this measure by:

- (1) Changing the passenger count to 250,000 per year in fiscal years 2012-2013, 2013-2014, and 2014-2015;
- (2) Requesting that certified copies be sent to the President of Cruise Lines International Association – North America and Canada (CLIA-NWC), and Norwegian Cruise Lines America (NCL America); and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 78, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (English, Espero).

SCRep. 1615 Transportation on H.C.R. No. 182

The purpose and intent of this measure is to request the Department of Transportation to conduct a traffic study and make recommendations to alleviate traffic congestion on Kahekili Highway.

Your Committee received testimony in support of this measure from the Department of Transportation, University of Hawaii System, and one individual.

Your Committee finds that residents of the windward side of Oahu stretching from Kane'ohe to Kahalu'u and even to La'ie have complained for years about the rush-hour traffic congestion on Kahekili Highway. The traffic congestion poses a risk for increased accidents, degrades the citizens' quality of life, and causes motorists to lose valuable time in their commute to and from work.

This measure would identify the causes of the traffic congestion and solutions to ease the traffic congestion, including widening Kahekili Highway, providing public transportation express routes for University of Hawai'i students from Windward Community College to the University of Hawai'i at Mānoa, and deploying contraflow lanes, among other appropriate solutions.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 182, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (English, Espero).

SCRep. 1616 Energy and Environment on H.C.R. No. 97

The purpose and intent of this measure is to request that the Department of Health:

- (1) Assure that any substantial land discharge of domestic wastewater, occurring by injection well or other means, is adequately reviewed and permitted; and
- (2) Adopt rules, pursuant to chapter 91, Hawaii Revised Statutes, to include seepage ponds and seepage pits in the review and permit process, or to consider prohibiting seepage ponds and seepage pits altogether.

Your Committee received testimony in support of this measure from the Department of Health and Sierra Club Hawaii Chapter.

Your Committee finds that the Department of Health administers the underground injection control program to regulate the disposal of wastewater. However, current wastewater treatment plant methods of wastewater disposal are not limited to underground injection wells. Some wastewater treatment plants use different discharge methods, including seepage ponds, land discharge, and seepage pits, that result in plumes of unpermitted and unregulated wastewater being discharged into the environment. Assuring that any substantial land discharge of domestic wastewater, occurring by injection well or other means, is adequately reviewed and permitted will better protect nearshore waters and the environment.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97, H.D. 1, and recommends that it be referred to the Committee on Health.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 1617 Water and Land on H.C.R. No. 34

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key Number (1)4-1-002:007, Waimanalo, Koolauapoko, Oahu, for the use, maintenance, and repair of a seawall and steps, pursuant to section 171-53, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and three individuals.

Your Committee finds that in 2014, it was determined that an existing seawall and steps fronting the property identified as tax map key number (1)4-1-002:007 encumber 4,539 square feet of state submerged lands. On September 3, 2014, the Office of Conservation and Coastal Lands of the Department of Land and Natural Resources determined that the seawall was constructed prior to the establishment of the Conservation District in 1964 and indicated its support of an issuance of an easement to resolve the encroachments. On November 14, 2014, under agenda item D-21, the Board of Land and Natural Resources approved a grant of a 55-year non-exclusive easement to resolve the encroachments.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, H.D. 1, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Galuteria).

SCRep. 1618 Water and Land on H.C.R. No. 185

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue four term, nonexclusive easements covering a portion of state submerged lands fronting the property identified as seaward of Tax Map Keys: (2) 3-8-002:071, 074, 077, 078, and 094: Spreckelsville, Wailuku, Maui, for the use, maintenance, and repair of four existing rock groin structures.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

According to testimony of the Department of Land and Natural Resources, the Stable Road Beach Restoration Foundation, Inc., worked with the Department, the County of Maui, other state agencies, and federal agencies to secure the necessary permits and approvals to construct four rock groins fronting the private properties identified above to address beach erosion.

Your Committee finds that the Board of Land and Natural Resources approved the Office of Conservation and Coastal Lands Small Scale Beach Nourishment SSBN-MA-08-01 application under a State Programmatic General Permit in May 2009 to allow the Stable Road Beach Restoration Foundation, Inc., to install four temporary geo-tube groins and beach nourishment on the Stable Road Beach. Other key permits were received, including a Special Management Area Exemption 2008/0453 and Shoreline Setback Approval 2008/0042 from the County of Maui in February 2009, a Water Quality Certification from the Clean Water Branch of the Department of Health, and the issuance of Revocable Permit No. S-7618 by the Land Division of the Department of Land and Natural Resources. Under the approval of the Board of Land and Natural Resources, the grantees are required to pay the State the fair market value of the easements as consideration of the use of public lands to be determined by an independent appraisal.

Your Committee has amended this measure by:

- (1) Amending the title to correct a misspelling of Spreckelsville; and
- (2) Making legislative approval contingent upon confirmation by a survey conducted by the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 185, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 185, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Galuteria).

SCRep. 1619 Water and Land on H.C.R. No. 73

The purpose and intent of this measure is to authorize a fifty-five year term, non-exclusive easement to Paul D. Gossman as trustee of the Paul D. Gossman Residence Trust Dated December 18, 2008, for seawall encroachment purposes, according to the terms and conditions approved by the Board of Land and Natural Resources on August 9, 2013.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and two individuals.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Inserting language to authorize the issuance of a term, nonexclusive easement for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall over, under, and across state-owned land identified as tax key map number (2)4-5-013, seaward of 027, an area of approximately 2,352 square feet, in Lahaina, to the Association of Apartment Owners of Lahaina Roads, according to the terms and conditions approved by the Board of Land and Natural Resources on July 27, 2012; and
- (2) Clarifying that legislative approval of both easements is subject to confirmation by survey of the Department of Accounting and General Services.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources.

Your Committee finds that the seaward boundary of the Paul D. Gossman Residence Trust property fronts the ocean, and a seawall straddles the seaward boundary of the Paul D. Gossman Residence Trust property and submerged public land, which is state owned and identified by tax key map number (2)4-5-003, seaward of parcel 026. A portion of the seawall encroaches into the state-owned submerged land. The easement term is for fifty-five years in consideration for a one-time payment to be determined by independent appraisal establishing a fair market rent, subject to review and approval by the Chairperson of the Board of Land and Natural Resources. The Board of Land and Natural Resources approved the request of Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust Dated December 18, 2008, for a term, non-exclusive easement over a portion of state-owned land located in Lahaina, Maui, on August 9, 2013, under agenda item D-10.

Your Committee further finds that the Association of Apartment Owners of Lahaina Roads, a non-profit corporation, is planning to conduct minor repairs to the existing nonconforming seawall fronting the Lahaina Roads complex in Lahaina, Maui, tax key map number (2)4-5-013, seaward of 027, an area of approximately 2,352 square feet. The Board of Land and Natural Resources approved

the request of the Association of Apartment Owners of Lahaina Roads of a term, non-exclusive easement for a portion of state-owned land located in Lahaina, Maui, on July 27, 2012, under agenda item D-3.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 73, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 73, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Galuteria).

SCRep. 1620 Tourism and International Affairs on H.C.R. No. 162

The purpose and intent of this measure is to request that the Legislative Reference Bureau examine if and how other states regulate tour operators within their jurisdiction and report its findings to the Legislature.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that Hawaii does not regulate the activities of tour and excursion groups soliciting residents and visitors. Your Committee further finds that there has been a rise in tour activity in state parks and, within the last six months, at least three tour guides have been charged with engaging in illegal commercial activities by trespassing into natural reserve areas that are closed to public entry. Your Committee finds that this activity not only poses a threat to the environment of the natural reserve areas but also endangers the health and safety of those persons touring closed areas.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

SCRep. 1621 Tourism and International Affairs on H.C.R. No. 158

The purpose and intent of this measure is to request the Governor to approve the establishment of a sister-state relationship between Hawaii and the State of Dakhla of the Region of Oued Ed-Dahab-Lagouira of the Kingdom of Morocco.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Muslim Association of Hawaii.

Your Committee finds that the State of Dakhla of the Region of Oued Ed-Dahab-Lagouira of the Kingdom of Morocco, like Hawaii, is a tourist destination known for its great weather and ideal conditions for surfing, fishing, diving, and other outdoor water sports. Your Committee further finds that a relationship between Hawaii and Dakhla will be highly beneficial in expanding tourism, strengthening cultural bonds, and advancing common goals of international peace and brotherhood.

Your Committee has amended this measure by:

- (1) Deleting language requesting the Governor to approve the establishment of a sister-state relationship;
- (2) Inserting language requesting that the Hawaii Sister-State Committee evaluate and develop recommendations for the initiation of a sister-state relationship with the State of Dakhla of the Region of Oued Ed-Dahab-Lagouira of the Kingdom of Morocco and forward its recommendation to the Legislature, pursuant to section 229-3, Hawaii Revised Statutes;
- (3) Amending the title to reflect the amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 158, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 158, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

SCRep. 1622 Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 208

The purpose and intent of this measure is to:

- (1) Urge the United States Congress and United States Department of the Interior to restore federal healthcare funding for United States residents present under the Compacts of Free Association, in recognition of their unique historic and ongoing sacrifices and contributions to the United States of America and to the world;
- (2) Urge the United States Department of the Interior Office of Insular Affairs to review the funding of the Compact Impact Assistance grant and to make every effort to increase the amount of direct assistance available to Hawaii; and
- (3) Urge the United States Congress to support federal legislation to amend the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to render Compact of Free Association migrants eligible to receive federally funded financial and medical assistance.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and Hawai'i Primary Care Association.

Your Committee finds that the Freely Associated States of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia were former Trust Territories of the United States and, as sovereign nations, continue to place their trust in the United States through the Compacts of Free Association. Citing fiscal concerns, Hawaii has discontinued Med-QUEST eligibility for most indigent Compact of Free Association residents, requiring that they instead enroll in a health insurance plan through the Hawaii Health Connector. The relatively high cost of maintaining such health insurance plans will likely make healthcare coverage unaffordable to the most indigent members of our community. Justice, fairness, human decency, and sound national policy demand equal access to federal healthcare safety net funding for all United States residents and taxpayers present under the Compacts of Free Association.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 208, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 208, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1623 Judiciary and Labor on H.C.R. No. 155

The purpose and intent of this measure is to request the Judicial Council to appoint a committee to review the Hawaii Penal Code and recommend to the Legislature revisions to the Code that the committee concludes will help to ensure that sentences are fair and proportionate to the crime committed with particular attention paid to Hawaii Penal Code sections that base culpability on dollar amounts.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Crime Victim Compensation Commission; Community Alliance on Prisons; Ho'omana Pono, LLC; and three individuals. Your Committee received comments on this measure from the Judiciary and Legislative Reference Bureau.

Your Committee finds that approximately every decade since 1983, the Legislature has convened a committee to conduct a comprehensive review of the Hawaii Penal Code. Your Committee notes that there are several concurrent resolutions that are currently moving through the legislative process that provide for a limited review concerning specified sentencing provisions of the Hawaii Penal Code. This measure provides for a more comprehensive review of the Hawaii Penal Code that is a more prudent and cost effective mechanism to ensure that sentences are fair and proportionate to the crime committed.

Your Committee has amended this measure by:

- (1) Inserting language regarding other concurrent resolutions that were introduced during the Regular Session of 2015 and relate to specified sentencing provisions of the Hawaii Penal Code;
- (2) Adopting the language suggested by the Office of Hawaiian Affairs that specifies its representative be the Administrator of the Office of Hawaiian Affairs or the Administrator's designee;
- (3) Adopting the language suggested by the Crime Victim Compensation Commission that would allow the review committee to invite more than one representative from victim advocacy groups; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 155, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 155, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Gabbard, Shimabukuro).

SCRep. 1624 Judiciary and Labor on H.C.R. No. 168

The purpose and intent of this measure is to request the Department of Labor and Industrial Relations to convene a working group to streamline the workers' compensation claim filing process.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawaii Insurers Council, General Contractors Association of Hawaii, ILWU Local 142, Chamber of Commerce Hawaii, and two individuals. Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that organizing a working group to streamline the workers' compensation claim filing process will allow the Department of Labor and Industrial Relations to improve the processing of workers' compensation claims. Further, it would help the Department to fulfill the purposes of the workers' compensation law, which are to ensure timely payment of wage loss benefits and medical care to injured workers to assist workers in returning to work as quickly as possible.

Your Committee has amended this measure by:

- (1) Changing the reference to independent medical examinations to employer-requested medical examinations; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 168, H.D. 2, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 168, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Gabbard, Shimabukuro).

SCRep. 1625 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. Nos. 801 and 802

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII PAROLING AUTHORITY

G.M. No. 801 ANNELLE AMARAL, for a term to expire 6-30-2019; and

G.M. No. 802 MICHAEL A. TOWN, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Annelie Amaral and Michael A. Town to possess the requisite qualifications to be nominated to the Hawaii Paroling Authority.

ANNELLE AMARAL

Your Committee received testimony in support of the nomination of Annelie Amaral from the Department of Public Safety; Sex Abuse Treatment Center; Ho'omana Pono, LLC; Association of Hawaiian Civic Clubs; and ten individuals.

Ms. Amaral currently serves as an active and enthusiastic member of the Hawaii Paroling Authority. Her professional career spans over four decades and includes substantial public service and non-profit experience, including serving as a Motorpatrol Officer with the Police Department of the City and County of Honolulu, Deputy Administrator of the Office of Hawaiian Affairs, State Representative for eight years, Coordinator at Coalition Against Sexual Assault, and Director of Public Affairs at Planned Parenthood of Hawaii. In recognition of Ms. Amaral's work, she has been the recipient of numerous awards, including the Patsy T. Mink PAC Award and being named as the Legislator of the Year by the Hawaii Psychological Association. She has spent many years working as a facilitator of community meetings, discussions, conferences, and briefings. Ms. Amaral is a graduate of the University of Dayton, where she received a Bachelor of Arts degree in Journalism.

Your Committee finds that Ms. Amaral's experience as a member of the Hawaii Paroling Authority, along with insights garnered from her extensive experience and her commitment to public service, provide her with the knowledge and expertise to be reappointed as a member of the Hawaii Paroling Authority.

MICHAEL A. TOWN

Your Committee received testimony in support of the nomination of Michael A. Town from the Department of Public Safety; Ho'omana Pono, LLC; and twelve individuals.

Judge Town (retired) has served as a member of the Hawaii Paroling Authority since 2011 and has proven to be a hardworking and contributing member. He has a notable background, having more than forty-five years of legal experience. Judge Town has served as a Circuit Court Judge and District Family Court Judge in Hawaii, Supervising Attorney and Director of Litigation at Legal Aid Society of Hawaii, and Law Clerk to Associate Justice Bernard H. Levinson. He is currently a mediator and arbitrator and has authored numerous articles pertaining to the Judiciary. Judge Town has been active in several organizations and committees, including the Restorative Justice Committee of the Hawaii State Judiciary, Hawaii Justice Foundation, and Positive Coaching Alliance Hawaii. Judge Town received a Master of Laws degree with an emphasis on constitutional law from Yale Law School; a Juris Doctor degree from the University of California, Hastings College of the Law; and a Bachelor of Arts degree in Economics and Latin American studies from Stanford University.

Your Committee finds that Judge Town's experience as a member of the Hawaii Paroling Authority and extensive legal background will continue to provide a valuable perspective to the Hawaii Paroling Authority.

As affirmed by the records of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1626 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. Nos. 707 and 708

Recommending that the Senate advise and consent to the nominations of the following:

CORRECTIONS POPULATION MANAGEMENT COMMISSION

G.M. No. 707 ANDERSON HEE, for a term to expire 6-30-2015; and

G.M. No. 708 ANDERSON HEE, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Anderson Hee to possess the requisite qualifications to be nominated to the Corrections Population Management Commission.

Your Committee received testimony in support of the nomination of Anderson Hee from three individuals.

Upon review of the testimony, your Committee finds that Mr. Hee's professional experience, background, and commitment to public service qualify him for appointment and reappointment to the Corrections Population Management Commission. Your Committee notes that Mr. Hee has extensive law enforcement experience, having spent over twenty-six years with the Police Department of the City and County of Honolulu, where his last position was as the Watch Commander for District 3, Pearl City Police Station. Following his retirement as a law enforcement officer in 2002, Mr. Hee worked for over two years as a Supervisory Special Agent, organizing the "Cold Case Unit" at the Department of the Attorney General. He currently is the owner and Vice-President of Star Protection Agency and is board certified by ASIS International as a Certified Protection Professional. In recognition of his expertise, Mr. Hee has been a panelist at the State of Hawaii Police Commission Conference in Hawaii and Joint Federal Violent Crime Conference in Virginia.

Your Committee further finds that Mr. Hee has been appointed and reappointed to the Corrections Population Management Commission based on his extensive training and experience, knowledge, and desire to contribute to the community.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1627 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. Nos. 636 and 637

Recommending that the Senate advise and consent to the nominations of the following:

CRIME VICTIM COMPENSATION COMMISSION

G.M. No. 636 MARTHA ROSS, for a term to expire 6-30-2018; and

G.M. No. 637 MARI MCCAIG, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Martha Ross and Mari McCaig to possess the requisite qualifications to be nominated to the Crime Victim Compensation Commission.

MARTHA ROSS

Your Committee received testimony in support of the nomination of Martha Ross from the Office of Hawaiian Affairs, Crime Victim Compensation Commission, Sex Abuse Treatment Center, and seventeen individuals.

Ms. Ross is a licensed social worker who has demonstrated a commitment to the community and a deep understanding of victim advocacy with over thirty years of professional experience. She spent seventeen years at the Office of Hawaiian Affairs where she held various positions, including Deputy Administrator of Programs; Director of Planning, Research, and Evaluation; and Special Assistant to the Chief Executive Officer. Ms. Ross also worked as an Advocate and Counselor to victims and witnesses of violent crimes and established and coordinated the Victim-Witness Assistance Volunteer Program at the Department of the Prosecuting Attorney of the City and County of Honolulu. She is the Co-Founder of the Violence Prevention Consortium, a collaboration of individuals, agencies, and organizations that aim to prevent violence in homes, schools, and communities.

Ms. Ross received a Master's in Social Work from the University of Hawaii at Manoa and a Bachelor of Arts degree in Social Welfare from Pennsylvania State University.

Your Committee finds that Ms. Ross' professional background and knowledge, as well as her continuing commitment to the community and victims of crimes, will be an asset to the Crime Victim Compensation Commission.

MARI MCCAIG

Your Committee received testimony in support of the nomination of Mari McCaig from the Crime Victim Compensation Commission and six individuals.

Ms. McCaig currently serves as the Chairperson of the Crime Victim Compensation Commission, where she has shown dedication in her service and consistently performed her civil responsibilities. For over thirty years, Ms. McCaig, a certified Cognitive Trauma Specialist, has compassionately advocated for crime victims, and her professional experience has demonstrated a commitment to the community. Ms. McCaig spent twenty-two years with the Department of the Prosecuting Attorney of the City and County of Honolulu providing counseling and support to victims and witnesses involved in criminal cases as a Victim and Witness Counselor and Director of the Visitor Assistance Program. In recognition of her exemplary service to the community, Ms. McCaig received the Liberty Bell Award in 2003 from the Hawaii State Bar Association.

Ms. McCaig received a Master of Science degree in Counseling Psychology from Chaminade University and a Bachelor of Arts degree in Political Science and French from the University of Hawaii at Manoa.

Your Committee finds that Ms. McCaig's compassion, experience as the current Chairperson of the Crime Victim Compensation Commission, and commitment to public service will continue to provide a valuable perspective on the Crime Victim Compensation Commission.

As affirmed by the records of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1628 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. No. 631

Recommending that the Senate advise and consent to the nomination of the following:

HAWAII ADVISORY COUNCIL ON EMERGENCY MANAGEMENT

G.M. No. 631 COLTON CHING, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Colton Ching to possess the requisite qualifications to be nominated to the Hawaii Advisory Council on Emergency Management.

Your Committee received testimony in support of the nomination of Colton Ching from the Hawaii Emergency Management Agency, Hawaii Advisory Council on Emergency Management, and four individuals.

Mr. Ching is a current member of the Hawaii Advisory Council on Emergency Management, where his years of energy systems, power generation, and power grid distribution experience have proven to be invaluable. He has over twenty-three years of experience at Hawaiian Electric Company, Inc., including five years as Incident Commander for emergency events, five years as Senior Planning Engineer, and two years as Manager of the Corporate Planning Department. Mr. Ching is currently the Vice President of Energy Delivery at Hawaiian Electric Company, Inc., where one of his many duties includes coordinating with the Hawaii Emergency Management Agency to repair the distribution system and restore power if the system is impacted by man-made or natural disasters. He received a Bachelor of Science degree in Mechanical Engineering from the University of Hawaii at Manoa.

Mr. Ching indicated in his personal statement that he feels it is his civic duty to volunteer and serve on the Hawaii Advisory Council on Emergency Management and that emergency preparedness is important for the community and the State's economy. He further indicated that as a current member of the Hawaii Advisory Council on Emergency Management, he has established professional relationships that will provide opportunities to further improve communication and coordination regarding emergency management.

Your Committee finds that Mr. Ching's knowledge and business acumen, garnered from years of emergency planning and operations experience at Hawaiian Electric Company, Inc., will continue to provide a unique and valuable perspective to the Hawaii Advisory Council on Emergency Management.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1629 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. Nos. 627, 628, 629, and 630

Recommending that the Senate advise and consent to the nominations of the following:

ADVISORY BOARD ON VETERANS' SERVICES

G.M. No. 627 MICHAEL LILLY, for a term to expire 6-30-2015;

G.M. No. 628 MICHAEL LILLY, for a term to expire 6-30-2019;

G.M. No. 629 WILBERT PEREIRA, for a term to expire 6-30-2019; and

G.M. No. 630 JAMES TRAXLER, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Michael Lilly, Wilbert Pereira, and James Traxler to possess the requisite qualifications to be nominated to the Advisory Board on Veterans' Services.

MICHAEL LILLY

Your Committee received testimony in support of the nomination of Michael Lilly from the Hawaii Emergency Management Agency, State Office of Veterans' Services, and one individual.

Upon review of the testimony, your Committee finds that Mr. Lilly's professional experience and military background qualify him for appointment and reappointment to the Advisory Board on Veterans' Services. Your Committee notes that Mr. Lilly has an extensive military and legal background. Mr. Lilly served in Vietnam and retired as a Naval Reserve Captain after thirty years of service. Mr. Lilly served as the State's Attorney General and First Deputy Attorney General and is currently a partner in the Honolulu law firm of Ning, Lilly, and Jones. Mr. Lilly has received numerous awards and honors, including the Legion of Merit, Defense Meritorious Service Medal, and the Helen Kinau Wilder Friendship Award. Your Committee further finds that Mr. Lilly has a thorough understanding of the role and responsibilities of Board members and recommends that Mr. Lilly be appointed and reappointed to the Advisory Board on Veterans' Services based on his legal background and commitment to the military.

WILBERT PEREIRA

Your Committee received testimony in support of the nomination of Wilbert Pereira from the Hawaii Emergency Management Agency and four individuals.

Upon review of the testimony, your Committee finds that Mr. Pereira's knowledge and prior experience qualify him for reappointment to the Advisory Board on Veterans' Services. Your Committee notes that Mr. Pereira, a Vietnam veteran and a member of the Hawaii Army National Guard for over four years, currently serves on the Advisory Board on Veterans' Services and has proven

to be a hardworking and contributing member. Mr. Pereira is dedicated to veterans and is an active member of various veteran organizations, including the Kauai Veterans Council, Kauai Veterans Center Management Committee, and Kauai Vietnam Era Veterans Association, of which he is currently the Secretary and Treasurer. Your Committee further finds that Mr. Pereira's experience as a current member of the Advisory Board on Veterans' Services and insights, garnered from his military service and commitment to issues related to veterans, will continue to provide a valuable perspective and recommends Mr. Pereira's reappointment to the Advisory Board on Veterans' Services.

JAMES TRAXLER

Your Committee received testimony in support of the nomination of James Traxler from the Hawaii Emergency Management Agency; State Office of Veterans' Services; Veterans of Foreign Wars of the United States, Hawaii; and three individuals.

Upon review of the testimony, your Committee finds that Mr. Traxler's knowledge and prior experience qualify him for appointment to the Advisory Board on Veterans' Services. Your Committee notes that Mr. Traxler retired from the United States Army Corps of Engineers after twenty years of service. Following his retirement, Mr. Traxler served as the Public Works Director for Santa Fe County in New Mexico and was the sole owner of Wildcat Sewing and Sunscreens. Currently, Mr. Traxler is active in the community and lends his expertise and time to the Big Island Retired Military Association, Veterans of Foreign Wars Post 12122, West Hawaii Veterans Command, and American Legion. Mr. Traxler has received numerous awards and honors, including the Legion of Merit, United States Army Bronze Star, and United States Army Meritorious Service Medal. Your Committee further finds that Mr. Traxler's military background, professional experience, and determination will be beneficial and recommends his appointment to the Advisory Board on Veterans' Services.

As affirmed by the records of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 1630 Water and Land on Gov. Msg. Nos. 818, 819, and 839

Recommending that the Senate advise and consent to the nominations of the following:

LEGACY LAND CONSERVATION COMMISSION

G.M. No. 818 MARJORIE ZIEGLER, for a term to expire 6-30-2017;

G.M. No. 819 THORNE ABBOTT, for a term to expire 6-30-2019; and

G.M. No. 839 THERESA MENARD, for a term to expire 6-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Marjorie Ziegler, Thorne Abbott, and Theresa Menard to possess the requisite qualifications to be nominated to the Legacy Land Conservation Commission.

MARJORIE ZIEGLER

Your Committee received testimony in support of Marjorie Ziegler from the Department of Land and Natural Resources, Ko'olaupoko Hawaiian Civic Club, Humane Society of the United States, Koolau Foundation, The Nature Conservancy of Hawai'i, The Trust for Public Land, Surfrider Foundation, and twenty-four individuals. Your Committee received testimony in opposition from the Hawaii Hunting Association and one individual.

Marjorie Ziegler received a Bachelor of Arts degree in Geography with Highest Honors from the University of Hawaii at Manoa. She has been the Executive Director of the Conservation Council for Hawai'i since 2003. Ms. Ziegler was a Program Associate with KAHEA: The Hawaiian Environmental Alliance, where she implemented the public lands biodiversity initiative, including education and community outreach. The nominee has been a member of various commissions, task forces, and working groups, including the State Environmental Council, Honolulu Clean Water and Natural Lands Commission, Natural Area Reserves System Commercial Use Task Force, Natural Areas Working Group, Natural Areas Reserves System Funding Task Force, Protect Our Water, Stream Protection and Management Task Force, Sustainable Tourism Working Group, Intoxicant Working Group, and Road Side Spraying Task Force.

Your Committee finds that testimony in opposition to this nominee is largely from a particular special interest group and fails to sway your Committee's support for the nominee and belief in her qualifications. Specifically, the comment in general opposition stated, "This individual has been a consistent and partisan voice against resource management here in Hawaii. All lands in Hawaii belong to the people as a whole, not a strictly defined special interest to which this applicant advocates too routinely and without consultation", with no further elaboration. Your Committee finds no evidence that the nominee has at any time advocated against resource management or worked on resource issues without consultation. Indeed, the nominee noted working in the past with one of the individuals who submitted testimony in opposition. However, your Committee notes that the nominee has denied this characterization and, in fact, was surprised by the comment.

In Ms. Ziegler's written answers to the questionnaire, she responded, "I wish to serve on the Legacy Land Conservation Commission because I believe in the critical importance of land conservation on these islands given our limited land and resources in the face of ongoing land development."

THORNE ABBOTT

Your Committee received testimony in support of Thorne Abbott from the Department of Land and Natural Resources, Maui Nui Marine Resource Council, Maui Nui Marine Resource Center, Hawaiian Islands Land Trust, The Nature Conservancy of Hawaii, Planning Consultants Hawaii LLC, Hawaii Audubon Society, and fourteen individuals.

Thorne Abbott is an experienced coastal manager and environmental planner. Based on his vast experience, he has served as a shoreline and coastal resources expert and has helped develop cross-jurisdictional, multi-sector approaches to solving complex coastal and environmental problems. He is active in the coastal community and presently serves on the Hawaiian Islands Humpback Whale National Marine Sanctuary Advisory Committee, and Hawaii Audubon Society Board of Directors, and is a current member of the Legacy Land Conservation Commission.

In Mr. Abbott's written answers to the questionnaire, he responded, "I recognize the critical role the Commission plays in evaluating properties for acquisition or conservation easement. Our recommendations to the Board of Land and Natural Resources to fund projects for long-term protection of unique lands is an important fiduciary responsibility given public funds are used. We must be prudent in our recommendations and sound in our evaluations, incorporating for example, the potential impact that climate change, sea level rise, or coastal erosion may have on the land or property's long term viability to support its intended purpose. The Legacy Land Conservation program offers a very successful, unique mechanism to protect our limited land and conserve publicly valued resources on our island home."

THERESA MENARD

Your Committee received testimony in support of Theresa Menard from the Department of Land and Natural Resources, Conservation Council for Hawaii, The Nature Conservancy of Hawai'i, and nineteen individuals.

Theresa Menard received a Master of Science in Zoology, with specialization in Ecology, Evolution and Conservation Biology, from the University of Hawaii at Manoa and a Bachelor of Science in Biology from the University of California, San Diego. She was with The Nature Conservancy from 2002 to 2014, serving at various times as Geographic Information Systems Specialist, Conservation Planner, and Landscape Conservation Coordinator.

In Ms. Menard's written answers to the questionnaire, she responded, "I want to continue to serve the people of Hawai'i by using the skills and talents I have developed as a conservation professional in order to make sure the State's money is spent wisely. In particular, what I offer the [Legacy Land Conservation Commission] is my ability to use different geospatial datasets (e.g. tax map keys, zoning, native ecosystem coverage, etc.) to evaluate different parcels of land for the commission's desired criteria. Working at The Nature Conservancy, I am experienced in ranking and prioritizing different sites across Hawai'i to assist in conservation efforts."

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1631 Judiciary and Labor on Gov. Msg. Nos. 840 and 841

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGISTRATION OF THE ISLAND OF O'AHU

G.M. No. 840 ELISE ANDERSON, for a term to expire 6-30-2015; and

G.M. No. 841 ELISE ANDERSON, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Elise Anderson to possess the requisite qualifications to be nominated to serve on the Board of Registration of the Island of Oahu.

Your Committee received testimony in support of the nomination of Elise Anderson from the Office of Elections and three individuals.

Ms. Anderson earned her Bachelor of Arts degree in English and American Literature from Princeton University. She later completed post-baccalaureate Psychology curriculum at the University of Hawaii at Manoa where she is presently enrolled in an advanced organic chemistry graduate-level curriculum. She currently serves as a Legislative Liaison for the State Senate and Tennis Coach for Waialae Country Club. She remains active in the community by volunteering her time with various agencies and groups, such as numerous state election campaigns, the Grassroots Institute of Hawaii, and Institute for Human Services.

Testimony in support of the nominee describes her as competent and conscientious with a strong desire to serve the public. She was appointed on July 16, 2014, on an interim basis and served as a Board of Registration Member during the 2014 Primary and General Elections. Her recent tenure with the Board and willingness to continue to serve make Ms. Anderson an excellent nominee to the Board of Registration.

Based on the testimony submitted, your Committee finds that Elise Anderson is exceptionally qualified to serve on the Board of Registration of the Island of Oahu. The nominee's background, knowledge, and skills will serve the Board and public well.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1632 Judiciary and Labor on Gov. Msg. Nos. 691, 692, 693, and 694

Recommending that the Senate advise and consent to the nominations of the following:

COMMISSION ON THE STATUS OF WOMEN

G.M. No. 691 LESLIE WILKINS, for a term to expire 6-30-2019;

G.M. No. 692 LISA ELLEN SMITH, for a term to expire 6-30-2019;

G.M. No. 693 SHERRY CAMPAGNA, for a term to expire 6-30-2019; and

G.M. No. 694 CYD L. HOFFELD, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Leslie Wilkins, Lisa Ellen Smith, Sherry Campagna, and Cyd L. Hoffeld to possess the requisite qualifications to be nominated to serve on the Commission on the Status of Women.

LESLIE WILKINS

Your Committee received testimony in support of the nomination of Leslie Wilkins from the Hawaii State Commission on the Status of Women, Hawaii Women's Coalition, and two individuals.

Ms. Wilkins currently serves as Vice President of the Maui Economic Development Board where she leads the Women in Technology program, which is a pilot and demonstration project that was developed to engage more girls, women, Native Hawaiians, and other underrepresented groups in science, technology, engineering, and mathematics (STEM) fields. Prior to joining the Maui Economic Development Board, she provided various services, including program development consulting, revenue diversification strategy advising, and proposal writing.

Ms. Wilkins has served and advocated on behalf of the women's community in Hawaii for many years. She currently serves as the Chairperson of the Commission on the Status of Women and represents the County of Maui. She also serves as the Chairperson of Maui County's Workforce Development Investment Board and as a member of the State's Workforce Development Council. She has served in state and national leadership roles with the Business & Professional Women's Organization for over two decades. Finally, she is a recipient of various awards and honor and is a published author of numerous periodicals and reports.

Testimony in support of Ms. Wilkins' nomination indicates that the nominee is dedicated to improving the lives of women and girls in Hawaii. She brings to the Commission her keen and critical analysis of issues affecting women and girls in Hawaii, and she would be enthusiastically welcomed to the Commission for a second term.

LISA ELLEN SMITH

Your Committee received testimony in support of the nomination of Lisa Ellen Smith from the Hawaii State Commission on the Status of Women, Hawaii Women's Coalition, and four individuals.

Ms. Smith received her Bachelor of Arts degree in International Studies from Ohio University and a Master's degree in City and Regional Planning from The Ohio State University. She currently serves as a Public Housing Supervisor for the Hawaii Public Housing Authority where she is in charge of overseeing eleven project sites on Kauai. She is responsible for providing day-to-day management, maintenance, and resident services for public housing developments and the state rent subsidy program for over three hundred public housing units. She previously served as a Coastal Zone Management Planner where she assisted and participated in the development and design of planning projects for the Coastal Zone Management Program on Kauai.

Ms. Smith currently serves as a member of the Commission on the Status of Women, representing the County of Kauai, and as a member of the Kauai County Committee on the Status of Women. She also volunteers her time with the Kauai County Farm Bureau and YWCA of Kauai.

Testimony in support of Ms. Smith's nomination indicates that her background in affordable housing and land use issues adds to the Commission's mission to advance the status of women and girls, particularly those who live below the poverty line and are in need of affordable rental housing. She is described as a committed advocate who is dedicated to improving the lives of women and girls in Hawaii.

SHERRY CAMPAGNA

Your Committee received testimony in support of the nomination of Sherry Campagna from the Hawaii State Commission on the Status of Women, Hawaii Women's Coalition, and ten individuals.

Ms. Campagna earned her Bachelor of Science degree in Biology from Kennesaw State University. She currently owns and serves as the Chief Executive Officer for Kamaka Green in Honolulu, which is an environmental and renewable energy company. Her career background includes environmental planning, environmental permitting, wetland design, construction, and restoration, stormwater management, wildlife science, critical habitat conservation, landfill planning, transportation projects, shoreline stabilization, and land development.

Ms. Campagna is an active community service participant. She currently serves on the Board of Directors of the YWCA of Oahu; as President of Olomea, Inc.; as a Core Committee Member of TEDxHawaii; as a Board Member for Family Programs Hawaii's ITAO Advisory Board; as a Caucus Member of the Legislative Keiki Caucus; and on the Board of Directors of the Kina'ole Foundation. Her memberships include the YWCA of Oahu, Prince Kuhio Native Hawaiian Civic Club, Wahine in Hawaii Business, Women in Renewable Energy, and National Association of Environmental Professionals.

Testimony in support of Ms. Campagna's nomination indicates that she is an avid builder of grass roots support for programs that serve women and girls. In her service with the YWCA of Oahu, she uses her planning and environmental consulting expertise to bring

a professional approach to facilitate and implement programs, fund development, and advocate issues. Furthermore, her environmental science background along with her ties to the Native Hawaiian community will add much to the Commission to represent the City and County of Honolulu.

CYD L. HOFFELD

Your Committee received testimony in support of the nomination of Cyd L. Hoffeld from the Hawaii State Commission on the Status of Women and one individual.

Ms. Hoffeld currently serves as a Health Promotions Manager for Bay Clinic, Inc. Her duties and responsibilities include promoting, maintaining, and improving individual and community health by assisting individuals to adopt healthy behaviors; collecting and analyzing data to identify community needs; and planning, implementing, monitoring, and evaluating programs designed to encourage healthy lifestyles, policies, and environments. Her previous work experience includes serving as a counselor for the Hawaii Island HIV/AIDS Foundation, a Women's Advocate and Case Manager for Alternatives to Violence, and a Domestic Violence Trainer for the Family Crisis Shelter.

Ms. Hoffeld serves as the Vice Chairperson on the Hawaii County Committee on the Status of Women, Chapter Historian for the 'Ahaui Ka'ahumanu Society, Board Member for the Neighborhood Place of Puna, and Board Member of the Hawaii Youth Business Center. She is the 2015 recipient of the Book of Golden Deeds Award and 2010 recipient of the Woman of the Year Award of the Hawaii County Women's Hall of Fame.

Ms. Hoffeld's personal statement indicates that as a survivor of domestic violence, she is passionate about assisting other women who are also survivors of domestic violence to make better choices and create a better life for themselves and their children. Her passion for and background in creating a better and healthier community will assist the Commission in fulfilling its mission and goals.

Based on the testimony submitted, your Committee finds that Leslie Wilkins, Lisa Ellen Smith, Sherry Campagna, and Cyd L. Hoffeld are exceptionally qualified to serve on the Commission on the Status of Women. The nominees' professional experience will serve the Commission and public well.

As affirmed by the records of votes of the members of your Committee on Judiciary and Labor that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1633 Judiciary and Labor on Gov. Msg. No. 747

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TRUSTEES OF THE DEFERRED COMPENSATION PLAN

G.M. No. 747 RODERICK K. BECKER, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Roderick Becker to possess the requisite qualifications to be nominated to the Board of Trustees of the Deferred Compensation Plan.

Your Committee received testimony in support of the nominee from the Department of Human Resources Development, Department of Budget and Finance, and one individual.

Upon review of the testimony, your Committee finds that Mr. Becker's background, experience, and dedication to public service qualifies him for appointment to the Board of Trustees of the Deferred Compensation Plan. Your Committee notes that Mr. Becker is currently serving as the Deputy Director of the Department of Budget and Finance. Mr. Becker also currently serves as a member of the Board of Trustees of the Employer-Union Health Benefits Trust Fund. Previously, Mr. Becker served as the Budget Program Administrator for the City and County of Honolulu and the Budget Chief for the Hawaii State Senate. Your Committee believes that the experience Mr. Becker has acquired through each of these roles will allow him to be a valuable member of the Board of Trustees of the Deferred Compensation Plan.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1634 Health on Gov. Msg. Nos. 714 and 715

Recommending that the Senate advise and consent to the nominations of the following:

EMERGENCY MEDICAL SERVICES ADVISORY COMMITTEE

G.M. No. 714 REZA DANESH, MD, for a term to expire 6-30-2015; and

G.M. No. 715 REZA DANESH, MD, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Dr. Reza Danesh to possess the requisite qualifications to be nominated to the Emergency Medical Services Advisory Committee.

Your Committee received testimony in support of the nomination of Dr. Reza Danesh from the Department of Health.

Dr. Danesh is currently a Physician at the Emergency Department at Maui Memorial Medical Center. He earned a Doctor of Medicine from the University of California at Davis School of Medicine and a Bachelor of Science in Biology from the University of California at Los Angeles. He has also served as a physician at various other medical centers, including the California Hospital Medical Center Emergency Department, which is the busiest penetrating trauma center in California. As Dr. Danesh served on the Emergency Medical Services Advisory Committee last year as an interim member, he is familiar with the current issues related to emergency medical services in the State. Your Committee finds that Dr. Danesh has been appointed and reappointed to the Emergency Medical Services Advisory Committee based on his past experiences in emergency medicine, as well as his commitment to serving Hawaii's residents.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1635 Health on Gov. Msg. No. 716

Recommending that the Senate advise and consent to the nomination of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 716 TERRINA WONG, for a term to expire 6-30-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Terrina Wong to possess the requisite qualifications to be nominated to the Language Access Advisory Council.

Your Committee did not receive written testimony regarding the nomination of Terrina Wong but notes that the Department of Health did offer oral testimony in support of the nomination at the hearing and will be providing written testimony at a later time.

Ms. Wong is currently the Deputy Director for Pacific Gateway Center, where she directs and supervises the English-as-a Second Language program for client populations, including curriculum development and teaching in a multi-age environment. She earned a Master of Arts in Education from the University of Hawaii at Manoa and a Bachelor of Arts in French from Mills College. She is also bi-lingual in French and serves on the Board of Directors for the Alliance Française of Hawaii. Your Committee finds that Ms. Wong's past experiences in language pedagogy, as well as her continuing commitment to educational programs for non-English speakers, will be great assets to the Council.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1636 Health on Gov. Msg. Nos. 744, 745, and 746

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, HONOLULU SUBAREA

G.M. No. 744 DEBORAH JUAREZ, for a term to expire 6-30-2019;

G.M. No. 745 JOSEPH BURKE, for a term to expire 6-30-2019; and

G.M. No. 746 ROBERTA LOVELY, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories and resumes submitted by the nominees and finds Deborah Juarez, Joseph Burke, and Roberta Lovely to possess the requisite qualifications to be nominated to the Health Planning Council, Honolulu Subarea.

DEBORAH JUAREZ

Your Committee received testimony in support of the nomination of Deborah Juarez from the Department of Health and two individuals.

Dr. Juarez is an Associate Professor at the University of Hawaii at Hilo College of Pharmacy, where she teaches courses on health economics, including cost-effectiveness analysis and biostatistics. She earned a Doctor of Science in Health Economics from the Harvard School of Public Health, a Master of Public Administration from the Woodrow Wilson School at Princeton University, and a Bachelor of Arts in Economics from Amherst College. She has published a multitude of peer-reviewed articles, and her research has focused on medication adherence, cost-effectiveness of cardiovascular interventions, and health disparities involving Asian and Pacific Americans. Your Committee finds that Dr. Juarez's professional and educational experiences, as well as her dedication to the field of healthcare, will be great assets to the Council.

JOSEPH BURKE

Your Committee received testimony in support of the nomination of Joseph Burke from the Department of Health.

Mr. Burke is currently a Territory Manager in the Vaccines Division for Pfizer. He earned a Master of Business Administration and a Bachelor of Business Administration from Chaminade University. He has over twenty years of experience in the pharmaceutical industry as an Area Account Manager and District Business Manager with Wyeth and Pfizer. Your Committee finds that Mr. Burke's

past experience in the pharmaceutical industry, as well as his proven management and leadership abilities, will be great assets to the Council.

ROBERTA LOVELY

Your Committee received testimony in support of the nomination of Roberta Lovely from the Department of Health.

Ms. Lovely is a Special Projects Administrator for Liberty Dialysis Hawaii, where she is responsible for the coordination of special projects affecting statewide operations of the organization. She earned a Master of Public Health and a Bachelor of Science in Nursing from the University of Hawaii. She also has thirty-five years of work experience at St. Francis Medical Center, where she assumed various roles and responsibilities, including Administrative Director for the Renal Institute. Your Committee finds that Ms. Lovely's past experience in nursing, as well as her willingness to serve the residents of Hawaii, will be great assets to the Council.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1637 Health on Gov. Msg. No. 793

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, WINDWARD OAHU SUBAREA

G.M. No. 793 OCTAVIUS GONZAGA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Octavius Gonzaga to possess the requisite qualifications to be nominated to the Health Planning Council, Windward Oahu Subarea.

Your Committee received testimony in support of the nomination of Octavius Gonzaga from the Department of Health.

Mr. Gonzaga is currently the Financial Director at Ku Aloha Ola Mau, where he is responsible for preparing federal, state, and grant budgets, as well as preparing the financial statements for month-end close. He earned a Bachelor of Science in Business Administration with a concentration in Accounting from California State University, Stanislaus. He has previously served as Finance Manager at Koolauloa Community Health and Wellness Center. Your Committee finds that Mr. Gonzaga's past experiences in finance and health care, as well as his continuing commitment to serving the Windward Oahu community, will be great assets to the Council.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1638 Health on Gov. Msg. No. 632

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF CERTIFICATION OF OPERATING PERSONNEL IN WASTEWATER TREATMENT PLANTS

G.M. No. 632 ROBERT SOUZA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Robert Souza to possess the requisite qualifications to be nominated to the Board of Certification of Operating Personnel in Wastewater Treatment Plants.

Your Committee received testimony in support of the nominee from the Department of Health.

Mr. Souza is a Grade 4 Certified Wastewater Treatment Plant Operator for the City and County of Honolulu at the Sand Island Wastewater Treatment Plant. Previously, he acted as Wastewater Treatment Plant Supervisor IV at the Leeward Region Operations Branch of the Division of Wastewater Treatment and Disposal for the City and County of Honolulu for nine years. There, he oversaw five supervisors and thirty-four employees. With twenty-six years of experience in the field of wastewater management, Mr. Souza has developed an effective and efficient system of working with various trade groups to coordinate and accomplish repairs and maintenance of wastewater facilities.

Your Committee finds that Mr. Souza's past experiences in wastewater treatment operations, as well as his background in personnel supervision, will be great assets to the Board.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Slom).

SCRep. 1639 Health on Gov. Msg. No. 633

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF CERTIFICATION OF PUBLIC WATER SYSTEM OPERATORS

G.M. No. 633 GLENN AH YAT, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Glenn Ah Yat to possess the requisite qualifications to be nominated to the Board of Certification of Public Water System Operators.

Your Committee received testimony in support of the nomination of Glenn Ah Yat from the Department of Health.

Mr. Ah Yat is currently a Water Service Supervisor IV for the Honolulu Board of Water Supply, where he oversees the twenty-four-hour operation and maintenance of the water distribution system in the suburban areas of Oahu. His duties include preparing the operating budget for Suburban Field Services, reviewing and analyzing construction plans for the water distribution system and facility renovations, and working with subordinate supervisors on comprehensive plans for all section activities. In addition to his extensive public drinking water experience, he possesses a Distribution System Operator Certificate at the highest level of IV, which demonstrates his understanding of the value of a certification program.

Your Committee finds that Mr. Ah Yat's past experiences in water distribution management, as well as his continuing dedication to his profession and the certification of public water system operators, will be great assets to the Board.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Sлом).

SCRep. 1640 Health on Gov. Msg. Nos. 638, 639, 640, 642, 643, and 644

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 638 ANN CHINEN ITO, for a term to expire 6-30-2016;

G.M. No. 639 PAULINE AUGHE, for a term to expire 6-30-2019;

G.M. No. 640 ED CHEVY, for a term to expire 6-30-2019;

G.M. No. 642 MISELLA TOMITA, for a term to expire 6-30-2019;

G.M. No. 643 YOLANDA PHELAN, for a term to expire 6-30-2018; and

G.M. No. 644 ROBIN K. INABA, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Ann Ito, Pauline Aughe, Ed Chevy, Misella Tomita, Yolanda Phelan, and Robin Inaba to possess the requisite qualifications to be nominated to the Disability and Communication Access Board.

ANN CHINEN ITO

Your Committee received testimony in support of the nomination of Ann Ito from the Disability and Communication Access Board and one individual.

Ms. Ito is currently the Director of the KOKUA Program for the Office for Students with Disabilities at the University of Hawaii at Manoa, which serves undergraduate, graduate, and professional students with learning, physical, psychiatric, and other documented disabilities. She earned a Master's degree in Social Work and Bachelor's degree in Speech from the University of Hawaii at Manoa. She also serves as Chairperson for the Library for the Blind and Physically Handicapped Consumer Advisory Board and as President of the Friends of Ho'opono.

Ms. Ito indicated in her personal statement that she brings her best energy, knowledge-based judgment, genuine respect for human differences, and passion for social justice to the Board.

Your Committee finds that Ms. Ito's past experiences providing disability access services to individuals, as well as her continuing commitment to serve those with disabilities in the college community, will be great assets to the Board.

PAULINE AUGHE

Your Committee received testimony in support of the nomination of Pauline Aughe from the Disability and Communication Access Board and one individual.

Ms. Aughe is an entrepreneur, speaker, and author who spreads the inspiring message of hope and possibility using various media platforms, such as books, live events, and videos. She also authored a chapter in the best-selling book, "Fight For Your Dreams: The Power of Never Giving Up". Ms. Aughe earned a Bachelor of Arts in Communication from Santa Clara University. She currently volunteers for Aloha Independent Living Hawaii and serves on the Mayor's Committee on People with Disabilities for Hawaii County.

Your Committee finds that Ms. Aughe's past experiences related to the employment of individuals with disabilities, as well as her commitment to inspire others through her inspirational words and messages, will be great assets to the Board.

ED CHEVY

Your Committee received testimony in support of the nomination of Ed Chevy from the Disability and Communication Access Board and one individual.

Mr. Chevy is recognized as a veteran in the field of deaf education, as he is an American Sign Language Instructor and mentor of families with children who have hearing loss. He also is a speaker and lecturer, speaking at such events as the Annual Pacific Rim Conference on Disabilities.

Mr. Chevy indicated in his personal statement that he is interested in the Board's role in credentialing interpreters, advocacy, and legislation.

Your Committee finds that Mr. Chevy's past experiences as an educator and instructor of American Sign Language, as well as his commitment to deaf awareness, will be great assets to the Board.

MISELLA TOMITA

Your Committee received testimony in support of the nomination of Misella Tomita from the Disability and Communication Access Board; Aloha State Association of the Deaf; Gallaudet University Alumni Association, Hawaii Chapter; Hawaii Deaf Surfriders Association; Hawaii School for the Deaf and the Blind Alumni Club; and one individual.

Ms. Tomita is currently an American Sign Language Lecturer at Kapiolani Community College and an American Sign Language and Social Skills Instructor at the Comprehensive Service Center for Deaf, Hard-of-Hearing, and Deaf-Blind. She earned a Bachelor of Social Work from Gallaudet University. As the daughter of an active deaf father who has been involved with the Board for many years, Ms. Tomita is well-aware of the issues affecting the Deaf community, such as access to government facilities and services within the community.

Your Committee finds that Ms. Tomita's experiences as an American Sign Language instructor, as well as her continuing commitment to sharing Deaf culture with others, will be great assets to the Board.

YOLANDA PHELAN

Your Committee received testimony in support of the nomination of Yolanda Phelan from the Disability and Communication Access Board and one individual.

Ms. Phelan currently serves on the Board of Directors for the Hawaii Association for the Blind. She also started her own business, Sharper Senses, which provides sensitivity training to management and staff for restaurants, hotels, shops, airports, and other businesses that provide services to the public. Furthermore, she serves on the Ho'oponopono State Rehabilitation Center for the Blind Advisory Board, having served twice as Chair.

Your Committee finds that Ms. Phelan's past experiences advocating for issues that affect the safety and access to the Blind community, as well as her continuing commitment to educating communities on Blind awareness, will be great assets to the Board.

ROBIN INABA

Your Committee received testimony in support of the nomination of Robin Inaba from the Disability and Communication Access Board and one individual.

Ms. Inaba is owner and principal of Inaba Architecture, LLC, a design firm that provides architectural services for commercial, public, residential, and hospitality projects. She earned a Bachelor of Architecture from the University of Hawaii at Manoa. She has proven to be an avid proponent of accessible design, attending design-related conferences and trainings and improving education outreach to architects.

Your Committee finds that Ms. Inaba's past experiences as a business owner and community volunteer, as well as her expertise in the field of architecture and design, will be great assets to the Board.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Slom).

SCRep. 1641 Health on Gov. Msg. Nos. 647, 648, 649, 650, 651, 652, and 653

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII ADVISORY COMMISSION ON DRUG ABUSE AND CONTROLLED SUBSTANCES

- G.M. No. 647 CHAD KOYANAGI, for a term to expire 6-30-2015;
- G.M. No. 648 CHAD KOYANAGI, for a term to expire 6-30-2019;
- G.M. No. 649 CASHMIRE LOPEZ, for a term to expire 6-30-2015;
- G.M. No. 650 CASHMIRE LOPEZ, for a term to expire 6-30-2019;
- G.M. No. 651 EDWARD MERSEREAU, for a term to expire 6-30-2017;
- G.M. No. 652 LORI FERREIRA, for a term to expire 6-30-2019; and
- G.M. No. 653 HEATHER LUSK, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Chad Koyanagi, Cashmire Lopez, Edward Mersereau, Lori Ferreira, and Heather Lusk to possess the requisite qualifications to be nominated to the Hawaii Advisory Commission on Drug Abuse and Controlled Substances.

CHAD KOYANAGI

Your Committee received testimony in support of the nomination of Chad Koyanagi from the Department of Health.

Mr. Koyanagi is an Assistant Professor at the University of Hawaii John A. Burns School of Medicine. He earned a Doctor of Medicine from the John A. Burns School of Medicine at the University of Hawaii at Manoa and a Bachelor of Arts from Harvard College. He is also certified in psychiatry and addiction psychiatry by the American Board of Psychiatry and Neurology, allowing him to provide his expertise in psychiatry to the Department of Human Services, Med-QUEST Division; Helping Hands Hawaii's Pathways to Housing Team; Institute for Human Services; Action with Aloha; Castle Medical Center; and Molokai General Hospital.

Your Committee finds that Mr. Koyanagi's professional experience, background, and commitment to public service qualify him for appointment and reappointment to the Hawaii Advisory Commission on Drug Abuse and Controlled Substances (Commission).

CASHMIRE LOPEZ

Your Committee received testimony in support of the nomination of Cashmire Lopez from the Department of Health.

Ms. Lopez is currently a Registered Nurse for the Hawaii District Health Office in the Department of Health. She earned a Master of Science in Nursing and a Bachelor of Science in Nursing from the University of Hawaii. She is also a Sexual Assault Nurse Examiner for the Kauai and Hawaii police departments, providing sex assault medical-legal examinations and collecting evidence of sexual assault. As a public health nurse, she works collaboratively with the Department of Health medical programs and other public and private health and social services agencies in the community to effect positive changes in the community for Hawaii residents in the areas of wellness, health maintenance, and illness prevention.

Your Committee finds that Ms. Lopez's professional experience, background, and commitment to public service qualify her for appointment and reappointment to the Commission.

EDWARD MERSEREAU

Your Committee received testimony in support of the nomination of Edward Mersereau from the Department of Health; National Association of Social Workers, Hawaii Chapter; and one individual.

Mr. Mersereau is currently the Executive Director and Owner of Action with Aloha, LLC, which provides a wide range of therapeutic and social work services to a variety of populations, including assessment, case management, consultation, and counseling. He is also an Adjunct Instructor at the University of Hawaii School of Social Work and a Preceptor for the Navy Substance Abuse Program at Pearl Harbor. Mr. Mersereau received a Master of Social Work and a Bachelor of Social Work from the University of Hawaii. Furthermore, he has worked in the substance abuse treatment field for over twenty-five years and has indicated in his personal statement that effective interventions require effective partnerships as it relates to the prevention and treatment of substance use disorders in the State.

Your Committee finds that Mr. Mersereau's over twenty-five years of experience in counseling and clinical social work practice, as well as his commitment to public service, will be great assets to the Commission.

LORI FERREIRA

Your Committee received testimony in support of the nomination of Lori Ferreira from the Department of Health.

Ms. Ferreira is a faculty member and licensed mental health counselor at Kapiolani Community College. As a licensed mental health counselor, she provides consultation and training for faculty and staff on issues related to mental health conditions. She earned a Doctor of Education in Counseling Psychology from Argosy University and a Master of Science in Counseling Psychology and a Bachelor of Arts in Psychology from Chaminade University. Her experience with the Kapiolani Community College population provides her with insights into the college-age demographic as it relates to mental health.

Your Committee finds that Ms. Ferreira's expertise in community counseling, counselor education and supervision, and crisis management will be great assets to the Commission.

HEATHER LUSK

Your Committee received testimony in support of the nomination of Heather Lusk from the Department of Health and five individuals.

Ms. Lusk, who currently chairs the Commission, is the Executive Director for The CHOW (Community Health Outreach Work) Project, where she develops, coordinates, and implements HIV and viral hepatitis prevention activities, syringe exchange, health education and outreach efforts, drug treatment referrals, and other activities. She is currently a candidate in the Master's degree in Social Work program at Hawaii Pacific University and earned a Bachelor of Arts in Psychology from Michigan State University. Previously, she was the Adult Viral Hepatitis Coordinator for the Department of Health, where she developed and implemented Hawaii viral hepatitis prevention programs.

Your Committee finds that Ms. Lusk's past experiences in disease prevention and education, as well as her outstanding leadership capabilities, will continue to be great assets to the Commission.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Ruderman, Slom).

SCRep. 1642 Health on Gov. Msg. Nos. 685, 686, and 687

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 685 CYNTHIA DANG, for a term to expire 6-30-2016;

G.M. No. 686 ALFRED ARENSDORF, for a term to expire 6-30-2017 (Nominee's name amended to ALFRED ARENSDORF by GM757); and

G.M. No. 687 FRANCES ELAINE LYONS, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Cynthia Dang, Alfred Arensdorf, and Frances Elaine Lyons to possess the requisite qualifications to be nominated to the State Council on Mental Health.

CYNTHIA DANG

Your Committee received testimony in support of the nomination of Cynthia Dang from the Department of Health.

Ms. Dang is currently a mid-level manager for Lean Pathways, a business consulting firm. She earned a Doctorate in Psychology from Argosy University and a Bachelor in Business Administration. She also serves as the Chair of the Mental Health and Substance Abuse, Oahu Service Area Board. Your Committee finds that Ms. Dang's extensive training in the public and private sectors on program development, workplace initiatives, and mental health and substance abuse will be great assets to the Council.

ALFRED ARENSDORF

Your Committee received testimony in support of the nomination of Alfred Arensdorf from the Department of Health and Department of Health, Child and Adolescent Mental Health Division.

Dr. Arensdorf is a retired child psychiatrist who continues to serve as a Clinical Professor in the John A. Burns School of Medicine's Department of Psychiatry, where he teaches in the residency programs on family and systems' interventions, prevention, and protective factors. He earned a Doctor of Medicine from the University of California, Los Angeles and a Bachelor of Science from Loyola University of Los Angeles. He also serves as a member of the Mental Health and Substance Abuse, Maui Service Area Board and has worked as the Medical Director at the Child and Adolescent Mental Health Division of the Department of Health. Your Committee finds that Dr. Arensdorf's past experiences in psychiatry, as well as his continuing commitment to developing mental health services for the community, will be great assets to the Council.

FRANCES ELAINE LYONS

Your Committee received testimony in support of the nomination of Frances Elaine Lyons from the Department of Health.

Ms. Lyons is a Grant Writer for the East Hawaii Cultural Center in Hilo, researching funding sources for arts, cultural, and Hawaiian heritage grants. She earned a Bachelor's degree in Management from Northeastern University. She has also served as a member of the Mental Health and Substance Abuse, Hawaii Service Area Board since 2013. Your Committee finds that Ms. Lyons' background in organization and administrative management, as well as her continuing commitment to advocate for vulnerable individuals who are homeless, will be great assets to the Council.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1643 Health on Gov. Msg. Nos. 688 and 689

Recommending that the Senate advise and consent to the nominations of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 688 VERONICA ROCHA, for a term to expire 6-30-2019; and

G.M. No. 689 HAROLD WALLACE, JR., for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Veronica Rocha and Harold Wallace, Jr., to possess the requisite qualifications to be nominated to the Statewide Health Coordinating Council.

VERONICA ROCHA

Your Committee received testimony in support of the nomination of Veronica Rocha from the Department of Health and seven individuals.

Ms. Rocha is currently the Renewable Energy Branch Manager for the Hawaii State Energy Office, where she has led policy measures and other collaborative initiatives toward the greater adoption of renewable energy in Hawaii. She earned a Master of Business Administration and a Bachelor of Science in Mechanical Engineering from Stanford University. Ms. Rocha previously worked in the medical device industry, exercising her passion for enabling affordable healthcare by developing and manufacturing cost-effective medical technologies. Your Committee finds that Ms. Rocha's professional and educational background, as well as her continuing commitment to affordable healthcare initiatives, will be great assets to the Council.

HAROLD WALLACE, JR.

Your Committee received testimony in support of the nomination of Harold Wallace, Jr., from the Department of Health and Hawaii Primary Care Association.

Mr. Wallace is currently the Chief Executive Officer of Bay Clinic, Inc., which provides primary, dental, and behavioral health care for the communities located on east and south Hawaii Island. He earned a Master of Public Health Administration from Meharry Medical College and a Bachelor's degree in Secondary Education from Philander Smith College. He also serves as a Board Member with AlohaCare, Hawaii Primary Care Association, and Association of Asian Pacific Community Health Organizations. Your Committee finds that Mr. Wallace's past experiences with providing health care services to a large geographic area, as well as his proven leadership capabilities, will be great assets to the Council.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1644 Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 195

The purpose and intent of this measure is to request that the Auditor:

- (1) Conduct a financial audit of each county to examine the use of and needs for state funds; and
- (2) Report findings to the Legislature no later than twenty days before the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that the use of state funds should be a matter of public record to ensure that state funds are used appropriately and responsibly. An audit of the amount of funds each county receives from the State and the use of such funds will provide transparency and better assurance that counties are fiscally accountable.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 195, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1645 Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 146

The purpose and intent of this measure is to:

- (1) Request the Hawaii Paroling Authority to form a working group to examine smarter sentencing to improve the quality and reliability of state criminal sentencing practices; and
- (2) Request the working group to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Community Alliance on Prisons; Ho'omana Pono, LLC; and four individuals. Your Committee received testimony in opposition to this measure from the Hawaii Paroling Authority. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that the increasing number of individuals imprisoned has led to rising operating costs, community reliance on incarceration, and growing numbers of inmates prematurely released from prison each year. Interdependency among participants in the judicial process needs to be recognized in working with each other and in the decision-making processes regarding offenders. A working group to examine smarter sentencing, which enhances the decision making ability of criminal justice stakeholders in the selection and application of fair and efficient sanctioning goals, will improve the quality of the State's criminal sentencing practices.

Your Committee has amended this measure by:

- (1) Requesting the Judiciary, rather than the Hawaii Paroling Authority, to convene a working group and include certain individuals in the working group;
- (2) Amending the title accordingly; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 146, H.D. 2, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as H.C.R. No. 146, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1646 Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 45

The purpose and intent of this measure is to request the State Department of Defense to establish and fund a Veteran Women Services Coordinator position within the Office of Veterans' Services.

Your Committee received testimony in support of this measure from the Office of Veterans' Services; Women's Caucus, Democratic Party of Hawai'i; and three individuals.

Your Committee finds that current estimates indicate that there are between 9,502 and 11,744 women veterans who reside in Hawaii. The Hawaii Military Women's Task Force determined that women in the military face multiple, inter-related, and complex problems, including a high rate of sexual trauma, inadequate health care after reentry into civilian life, high rates of post-traumatic stress syndrome, homelessness, and unemployment. A Veteran Women Services Coordinator within the Office of Veterans' Services will aid female active duty service members and veterans with their specific needs and issues.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 45, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1647 Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 10

The purpose and intent of this measure is to request that the Auditor:

- (1) Review and report on state correctional facilities' leave policies and correctional officers' leave usage rates;
- (2) Determine whether the abuse of policies is causing operational disruptions, exposing the State to unnecessary costs, or endangering the safety of inmates, staff, and the surrounding community; and
- (3) Submit a report of findings and recommendations, including proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee received testimony in support of this measure from the Department of Public Safety; Community Alliance on Prisons; Ho'omana Pono, LLC; and four individuals.

Your Committee finds that a large number of correctional officers scheduled to work called in sick on New Year's Day in 2013 and 2014. Similar unexpected absences for sick leave have occurred on Super Bowl Sunday. Abuse of sick leave by correctional officers can cause critical staffing shortages in correctional facilities and force the use of overtime by remaining staff members, contributing to the Department of Public Safety incurring substantial overtime costs.

In addition, a staff shortage can diminish the services of correctional facilities, such as visiting hours. An audit of all state correctional facilities' leave policies and leave usage rates by correctional officers will provide an understanding of whether the abuse of such policies is causing operational disruptions, exposing the State to unnecessary costs, or endangering the safety of inmates, staff, and the surrounding community.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 10, H.D. 1, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1648 Water and Land on H.C.R. No. 141

The purpose and intent of this measure is to request the Department of Land and Natural Resources and the counties that maintain beach transit corridors to provide beach access to the shoreline for persons with disabilities at beaches that have a public restroom facility or are in an ocean management area.

Your Committee received testimony in support of this measure from the Department of Defense, Office of Veterans Services; State Council on Developmental Disabilities; Hawaii Tourism Authority; Hawaii Civil Rights Commission; Hawaii Disability Rights Center; and the Disability and Communication Access Board; University of Hawaii Biology Alumni Association; and two individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that access to Hawaii's beaches is meant to be open for all residents and visitors and access to beaches will need to be improved so as to not discriminate against persons with a disability. This measure directs the Department of Land and Natural Resources and the responsible counties to provide access no later than July 1, 2016.

Your Committee has amended this measure by:

- (1) Amending the title and language throughout to clarify that the requested action is the improvement of public beach access;
- (2) Deleting references to Title 28 Code of Federal Regulations Parts 35 and 36;
- (3) Deleting language requesting the Department of Land and Natural Resources and the responsible counties to provide access no later than July 1, 2016;
- (4) Adding that the Department of Land and Natural Resources and the counties report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017 on the status of public beach access to the shoreline for persons with disabilities at public beaches that have a public restroom facility or are in an ocean recreation management area; and

- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as H.C.R. No. 141, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Galuteria).

SCRep. 1649 Education on H.C.R. No. 190

The purpose and intent of this measure is to request the Department of Education, in conjunction with the Hawaii High School Athletic Association, to examine the feasibility of establishing Brazilian jiu-jitsu as a sanctioned sport.

Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that participation in athletics is a positive outlet for young people, and the addition of Brazilian jiu-jitsu as a Department of Education sanctioned sport may satisfy student interest in competitive martial arts. The Department of Education should examine the feasibility of establishing Brazilian jiu-jitsu as a sanctioned sport.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 190, and recommends that it be referred to the Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Chun Oakland, Harimoto).

SCRep. 1650 Education on H.C.R. No. 138

The purpose and intent of this measure is to urge the Department of Education to examine all possibilities to enable student athletic teams to run and train off campus.

Your Committee received testimony in support of this measure from three individuals. Your Committee received testimony in opposition to this measure from the Department of Education, Maui High School, and one individual.

Your Committee finds that athletic endeavors offer a valuable complement to a student's academic pursuits and often motivate student success on and off the field. Some sports require participants to engage in endurance training that requires long distance running which cannot be reasonably accomplished within the confines of a school campus. Concerns regarding student safety and school liability have driven Department of Education policies that prevent teams from training on public sidewalks or roadways. Such policies put public school teams at a competitive disadvantage to independent schools that are not subject to similar restrictions, and may discourage students from participating. The Department of Education should more closely examine the issue to determine whether a finer balance may be struck between safety concerns and the need for athletes to access adequate routes for training purposes.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 138, H.D. 1, and recommends that it be referred to the Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Chun Oakland, Harimoto).

SCRep. 1651 Tourism and International Affairs on H.C.R. No. 59

The purpose and intent of this measure is to urge the Hawaii Tourism Authority to coordinate with trade organizations, including the Hawaii Lodging and Tourism Association, Hawaii Restaurant Association, Hawaii Visitors and Convention Bureau, Hawaii Transportation Association, and others in the hospitality industry to create a more welcoming environment for Chinese visitors.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority and one individual.

Your Committee finds that it is important for the State to diversify its visitor markets to offset weakness in one market by strength in another. Your Committee further finds that China is not the only market with increased visitor rates and that Other Asia tourism markets include China as well as Korea, Taiwan, Hong Kong, and Singapore. The ability for these international visitors to communicate with hospitality industry employees during their visit to Hawaii is key in ensuring their initial visit is a welcoming experience. Your Committee therefore finds that it is necessary to allow the hospitality industry to employ persons with cultural and communication skills that will enable the employees to interact with international visitors in order to promote and encourage tourism from Other Asia tourism markets and elsewhere.

Your Committee has amended this measure by:

- (1) Amending various findings to reflect a broader emphasis on international visitors, rather than only on visitors from China and other Asian countries;
- (2) Inserting provisions referencing the Corporation for Travel Promotion and H-1B visa law, including the need for an amendment to the definition of "specialized occupation";
- (3) Amending its title and purpose to urge 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;

- (4) Clarifying language to request Hawaii's congressional delegation to seek amendments to the H-1B non-immigrant visa law to amend the definition of "specialized occupation" to include foreign workers who have a high degree of specialized knowledge of reading, writing, and speaking at an honorific level to international visitors; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 59, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 59, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Tokuda).

SCRep. 1652 Ways and Means on Gov. Msg. No. 803

Recommending that the Senate advise and consent to the nomination of the following:

COUNCIL ON REVENUES

G.M. No. 803 DR. CARL S. BONHAM, for a term to expire 6-30-2019

Your Committee has reviewed the personal statement and resume submitted by Carl S. Bonham and had the opportunity to discuss with Dr. Bonham his professional and educational background and goals for serving on the Council on Revenues.

Your Committee received written testimony in support of Dr. Carl S. Bonham from two individuals.

Dr. Carl S. Bonham is an associate professor in the Department of Economics and the University of Hawaii at Manoa, executive director of the University of Hawaii Economic Research Organization, an associate faculty member of the University of Hawaii Public Policy Center, and a member of the University of Hawaii International Center for Climate and Society. Dr. Bonham previously held instructional or research positions at Kobe University and the University of Hawaii's Economic Research Organization and Social Science Research Institute. He has a Doctorate in Economics from the University of Texas and graduated magna cum laude with a Bachelor of Arts in Economics from Tulane University.

Your Committee finds that Dr. Bonham has served with distinction on the Council on Revenues for a total of more than sixteen years and that his wealth of knowledge of local, national, and international economic and government affairs is a valuable asset to the Council and to the State. Estimates prepared by the Council are considered in preparing the state budget and controlling expenditures, and Dr. Bonham's lengthy experience on the Council will help ensure that it accurately and effectively performs its critical duties of preparing revenue estimates for the State for each fiscal year of the six-year state program and financial plan.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Riviere).

SCRep. 1653 Ways and Means on Gov. Msg. No. 804

Recommending that the Senate advise and consent to the nomination of the following:

COUNCIL ON REVENUES

G.M. No. 804 DR. CHRISTOPHER J. GRANDY, for a term to expire 6-30-2019

Your Committee has reviewed the personal statement and resume submitted by Christopher J. Grandy and had the opportunity to discuss with Dr. Grandy his professional and educational background and goals for serving on the Council on Revenues.

Your Committee received written testimony in support of Dr. Christopher J. Grandy from two individuals.

Dr. Christopher J. Grandy is an associate professor in the Public Administration Program at the University of Hawaii at Manoa, where he has developed and taught courses on public budgeting and applied policy analysis and course modules in critical thinking, economics, legislative and budget processes, ethics, and futures. Dr. Grandy previously served as an economist at the Department of Business, Economic Development, and Tourism. He has a Doctorate in Economics from the University of California at Berkeley and graduated magna cum laude with a Bachelor of Arts in Economics from San Francisco State University.

Your Committee finds that Dr. Grandy has served with distinction on the Council on Revenues for nearly four years and that his wealth of knowledge of local, national, and international economic and government affairs is a valuable asset to the Council and to the State. Estimates prepared by the Council are considered in preparing the state budget and controlling expenditures, and Dr. Grandy's lengthy experience on the Council will help ensure that it accurately and effectively performs its critical duties of preparing revenue estimates for the State for each fiscal year of the six-year state program and financial plan.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Riviere).

SCRep. 1654 Ways and Means on Gov. Msg. No. 805

Recommending that the Senate advise and consent to the nomination of the following:

COUNCIL ON REVENUES

G.M. No. 805 DR. JACK P. SUYDERHOUD, for a term to expire 6-30-2019

Your Committee has reviewed the personal statement and resume submitted by Jack P. Suyderhoud and had the opportunity to discuss with Dr. Suyderhoud his professional and educational background and goals for serving on the Council on Revenues.

Your Committee received written testimony in support of Dr. Jack P. Suyderhoud from two individuals.

Dr. Jack P. Suyderhoud is a professor of business economics at the University of Hawaii at Manoa, where he has also served as Acting Dean of the College of Business Administration and Chairperson of the Decision Sciences Department. Dr. Suyderhoud previously held instructional positions at San Jose State University, Purdue University, and Eastern Michigan University. He has also served as executive director of the Tax Review Commission of the State of Hawaii and as a research associate at the Advisory Commission on Intergovernmental Relations in Washington, D.C. Dr. Suyderhoud has a Doctorate in Economics and a Master of Science in Economics from Purdue University and a Bachelor of Science in Economics and Mathematics from the University of Jamestown.

Your Committee finds that Dr. Suyderhoud has served with distinction on the Council on Revenues for a total of more than eleven years and is a highly respected economist, educator, researcher, and community leader. His wealth of knowledge of local, national, and international economic and government affairs is a valuable asset to the Council and to the State. Estimates prepared by the Council are considered in preparing the state budget and controlling expenditures, and Dr. Suyderhoud's lengthy experience on the Council will help ensure that it accurately and effectively performs its critical duties of preparing revenue estimates for the State for each fiscal year of the six-year state program and financial plan.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Chun Oakland, Galuteria, Riviere).

SCRep. 1655 Public Safety, Intergovernmental and Military Affairs on Gov. Msg. No. 885

Recommending that the Senate advise and consent to the nomination of the following:

COMPACT ADMINISTRATOR FOR INTERSTATE ADULT OFFENDER SUPERVISION

G.M. No. 885 SIDNEY H. NAKAMOTO for a term to expire 12-03-2018 (commission name amended to Interstate Commission for Adult Offender Supervision by GM891)

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Sidney H. Nakamoto to possess the requisite qualifications to be nominated as the Compact Administrator for the Interstate Commission for Adult Offender Supervision.

Your Committee received testimony in support of the nomination of Sidney H. Nakamoto from the Judiciary, Department of Public Safety, and one individual.

Upon review of the testimony, your Committee finds that Mr. Nakamoto's background and probation experience qualify him for appointment as the Compact Administrator for the Interstate Commission for Adult Offender Supervision. Mr. Nakamoto has been involved with the Interstate Commission for Adult Offender Supervision since its inception and has served as the Deputy Compact Administrator for the Interstate Commission for Adult Offender Supervision since 2002, consistently displaying integrity, diligence, and a commitment to public safety. He has over thirty years of experience working with the probation offender population in the Adult Client Services Branch at the Judiciary, including two years as a Program Coordinator, twelve years as a Probation Officer, and almost twelve years as a Section Supervisor/SW V. Since 2005, Mr. Nakamoto has served as the Supervision Section Administrator/SW VI and is responsible for all adult probation operations in the First Circuit Court. He earned his Bachelor's degree in Criminal Justice Administration from San Diego State University.

Your Committee finds that Mr. Nakamoto has excellent credentials and has demonstrated a high understanding of the issues and rules pertaining to interstate adult offender supervision. He has the experience, judgment, knowledge, and demeanor to serve as the Compact Administrator for the Interstate Commission for Adult Offender Supervision.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 1656 Human Services and Housing on Gov. Msg. Nos. 724, 725, 726, and 727

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION

G.M. No. 724 EDWIN S. TAIRA, for a term to expire 6-30-2017;

G.M. No. 725 RONA S.Y. FUKUMOTO, for a term to expire 6-30-2017;

G.M. No. 726 AUDREY ABE, for a term to expire 6-30-2016; and

G.M. No. 727 MELVIN Y.C. KAHELE, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Edwin S. Taira, Rona S.Y. Fukumoto, Audrey Abe, and Melvin Y.C. Kahele to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

EDWIN S. TAIRA

Your Committee received testimony in support of the nomination of Edwin S. Taira from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation Board of Directors; Hawaii Island Community Development Corporation; and seven individuals.

Mr. Taira currently serves as Vice-Chair of the Board of Directors of the Hawaii Housing Finance and Development Corporation. In the past, he managed the Office of Housing and Community Development in Hawaii County, serving Hawaii County in different professional roles for a total of thirty-three years of service. He earned a Bachelor of Business Administration from the University of Hawaii at Manoa. He also has served on private non-profit boards, including the Hawaii Community Reinvestment Corporation and Rental Housing Trust Fund Commission.

Mr. Taira indicated in his personal statement that he believes his institutional knowledge on housing finance and development can benefit the State.

Your Committee finds that Mr. Taira's past experiences in housing development, as well as his proven leadership abilities, will be great assets to the Board.

RONA S.Y. FUKUMOTO

Your Committee received testimony in support of the nomination of Rona S.Y. Fukumoto from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation Board of Directors; Catholic Charities Hawaii; and three individuals.

Ms. Fukumoto is currently the Housing Assistance and Referral Programs Division Administrator for Catholic Charities Hawaii, where she supervises staff through case review, program planning, and management; develops policies, procedures, and protocols to carry out the activities of the agency and division; and secures federal, state, county, and private grants and contracts to support the agency and division related to housing services, employment, and financial assistance grants. She earned a Master of Public Administration and a Bachelor of Arts in English from the University of Hawaii at Manoa. She also serves as a Board Member for the Hawaii Housing Finance and Development Corporation and Catholic Charities Housing Development Corporation, as well as a Council Member on the Department of Human Services Financial Assistance Advisory Council.

Ms. Fukumoto indicated in her personal statement that she is dedicated to participating in all facets of the solution to end homelessness, hoping to bridge service providers and housing development to meet the needs of the community.

Your Committee finds that Ms. Fukumoto's past experience related to homelessness issues, as well as her continuing commitment to finding affordable housing solutions for Hawaii residents, will be great assets to the Board.

AUDREY ABE

Your Committee received testimony in support of the nomination of Audrey Abe from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation Board of Directors; and two individuals.

Ms. Abe is currently a Certified Public Accountant and Certified General Appraiser with extensive experience in appraising residential and commercial property. She earned a Master of Fine Arts from the California Institute of the Arts and a Bachelor of Arts from San Jose State University. She is also an interim member of the Board of Directors of the Hawaii Housing Finance and Development Corporation and served as a Board Member of the Hawaii State Board of Taxation Review.

Ms. Abe indicated in her personal statement that she recognizes that affordable housing can be challenging for many Hawaii residents and hopes to find solutions for more affordable housing and elderly housing for Hawaii residents.

Your Committee finds that Ms. Abe's past experience in real estate consultation, as well as her passion for finding more affordable housing solutions, will be great assets to the Board.

MELVIN Y.C. KAHELE

Your Committee received testimony in support of the nomination of Melvin Y.C. Kahele from the Hawaii Housing Finance and Development Corporation Board of Directors and three individuals.

Mr. Kahele is currently the Legislative Lobbyist for the Ironworkers Union, Local 625, which represents about seven hundred members. In the past, he served as President for the Teamsters Union, Local 996, handling many complex contract negotiations. He is also a graduate of the Center of Labor Education and Research at the University of Hawaii.

Mr. Kahele indicated in his personal statement that he hopes to see more of Hawaii's middle- and low-income families live in affordable housing and use his experience as a decision-maker and negotiator to ensure that state funding is properly used to increase the affordable housing inventory.

Your Committee finds that Mr. Kahele's past experience in financial affairs and negotiation, as well as his passion for increasing accessibility of affordable housing to local families, will be great assets to the Board.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1657 Human Services and Housing on Gov. Msg. No. 690

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION ON FATHERHOOD

G.M. No. 690 DANIEL KITTREDGE, for a term to expire 6-30-2016

Your Committee received testimony in support of Daniel Kittredge from five individuals.

Daniel Kittredge is currently a Supervising Waterworks Inspector III for the Construction Management Division of the Department of Water, County of Kauai. He has worked for the Department of Water for three years, serving first as a Project Manager, then as a Supervising Waterworks Inspector. Mr. Kittredge has held a leadership position as Project Manager in the construction industry for over twenty years, and through this experience has acquired skills related to people and time management, problem solving, budgeting, critical and innovative thinking, and teamwork.

Your Committee believes that the nominee will be a valuable addition to the Commission on Fatherhood. Mr. Kittredge is a committed father of two sons and an involved member of his community. He is an active member of a local church, is a youth soccer coach and referee, and is passionate about being a good role model to his children and other fathers. Mr. Kittredge hopes that by serving on the Commission on Fatherhood he can help fellow fathers on Kauai and throughout Hawaii reach their full potential as fathers. In his personal statement, Mr. Kittredge emphasized the importance of his fellow fathers on Kauai having a voice at the state level of government on issues that directly affect fathers and their families. Mr. Kittredge's goal is to help fathers maximize their potential so that children reap the rewards of strong and present fathers. Your Committee received testimony describing Mr. Kittredge as selfless, compassionate, and extremely dedicated to his marriage and family. Your Committee finds that Mr. Kittredge possesses the qualifications to serve on the Commission on Fatherhood.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1658 Human Services and Housing on Gov. Msg. Nos. 667, 668, 669, 670, 671, 672, and 673

Recommending that the Senate advise and consent to the nominations of the following:

POLICY ADVISORY BOARD FOR ELDER AFFAIRS

G.M. No. 667 JAMES CISLER, for a term to expire 6-30-2019;

G.M. No. 668 PATRICK DUARTE, for a term to expire 6-30-2017;

G.M. No. 669 ANTHONY LENZER, for a term to expire 6-30-2019;

G.M. No. 670 MARILYN SEELY, for a term to expire 6-30-2019;

G.M. No. 671 TRACEY WILTGEN, for a term to expire 6-30-2019;

G.M. No. 672 LAUREL COLEMAN, MD, for a term to expire 6-30-2017; and

G.M. No. 673 F. ADELE RUGG, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds James Cisler, Patrick Duarte, Anthony Lenzer, Marilyn Seely, Tracey Wiltgen, Laurel Coleman, and F. Adele Rugg to possess the requisite qualifications to be nominated to the Policy Advisory Board for Elder Affairs.

JAMES CISLER

Your Committee received testimony in support of James Cisler from the Policy Advisory Board for Elder Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Cisler's experience in business, public relations, and communications qualify him to serve on the Policy Advisory Board for Elder Affairs. Your Committee notes that Mr. Cisler was formerly a Customer Service Specialist at AmSan, LLC, and was the owner and operator of Treehouse Restaurant in Eugene, Oregon, for twenty years. He is retired with a business background that includes experience in advertising and promotions, public relations, operations, customer service, and sales support. Your Committee further finds that Mr. Cisler strives to make a positive contribution during retirement, and his enthusiasm, strong work ethic, and leadership skills are valuable contributions to the Policy Advisory Board for Elder Affairs. In his personal statement, Mr. Cisler emphasized the importance of good communication and hands-on experience when working to

improve the quality of life of Hawaii's aging population. Finally, your Committee finds that Mr. Cisler is a Native Hawaiian and lives on the Island of Hawaii, which provides valuable representation and perspective to the Board.

PATRICK DUARTE

Your Committee received testimony in support of Patrick Duarte from the Policy Advisory Board for Elder Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Duarte's business background and experience representing the senior living and senior care industry qualify him to serve on the Policy Advisory Board for Elder Affairs. Mr. Duarte is the Chief Executive Officer of Kahala Senior Living Community, Inc., a continuing care retirement community that provides residential and health services to over four hundred fifty individuals each day. Your Committee finds that Mr. Duarte has provided leadership and financial oversight for Kahala Senior Living Community, Inc., as well as developed a strategic direction for the organization and an infrastructure that will enable a transition to self-management. Your Committee further finds that Mr. Duarte has spent much of his career in the health care field, and has a strong background in strategic planning, organizational development, financial oversight, and assisting businesses with growth. Your Committee notes that Mr. Duarte is involved with many community organizations, including serving on the Board of Directors of Sutter Health Pacific and the Better Business Bureau Foundation. Mr. Duarte is also Director of Mental Health Kokua, an important organization in the community that provides a continuum of treatment and housing services to individuals with mental illness. In his personal statement, Mr. Duarte indicated that he hopes to work toward the implementation of the strategic plan that the Policy Advisory Board for Elder Affairs has spent significant time developing.

ANTHONY LENZER

Your Committee received testimony in support of Anthony Lenzer from the Policy Advisory Board for Elder Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Lenzer's experience and extensive background in the field of aging qualify him to serve on the Policy Advisory Board for Elder Affairs. Prior to retirement, Dr. Lenzer helped establish the Center on Aging at the University of Hawaii. Dr. Lenzer was a faculty member at the University of Hawaii for many years, and during this time he developed aging research and teaching, developed two certificate programs and an award-winning PBS series and college telecourse titled "Growing Old in a New Age", and served as the first Director for the University of Hawaii's Center on Aging. Your Committee notes that since retiring, Dr. Lenzer has remained actively involved in advocacy, public policy development, and community education on aging, long-term care, and death and dying. Your Committee further finds that Dr. Lenzer has demonstrated an ongoing commitment to senior advocacy organizations in the community. Dr. Lenzer previously served as Chair of the Policy Advisory Board for Elder Affairs' Legislative Committee for several years. He also served as President of the Hawaii Family Caregiver Coalition, Vice President of the Kokua Council, and President of the Hawaii Pacific Gerontological Society. In his retirement, Dr. Lenzer continues to actively contribute to these organizations and efforts to develop public policies and programs that will improve the lives of seniors in Hawaii. In his personal statement, Dr. Lenzer indicated he hopes to develop a sustained program that values older individuals as assets and not simply liabilities.

MARILYN SEELY

Your Committee received testimony in support of Marilyn Seely from the Policy Advisory Board for Elder Affairs and one individual.

Upon review of the testimony, your Committee finds that Ms. Seely's experience and long professional history in the field of gerontology qualify her to serve on the Policy Advisory Board for Elder Affairs. Ms. Seely was employed with the Executive Office on Aging for seventeen years, including eight years as Director. During her time with the Executive Office on Aging, Ms. Seely coordinated many efforts related to long-term care education and public awareness efforts, facilitated policy and program development for aging issues, and coordinated a long-term care financing initiative. Her experience at the Executive Office on Aging allowed her to work closely with the Policy Advisory Board for Elder Affairs and gain firsthand knowledge about the Board. Your Committee further finds that Ms. Seely has remained active in many organizations since her retirement from state government. She is involved in end-of-life care as a volunteer Board member for Hospice Hawaii and Kokua Mau. She is also on the Board of Directors of the Kokua Council and is a member of the legislative Kupuna Caucus. Your Committee notes that Ms. Seely is well respected as a committed and passionate advocate for the elderly and, as such, can contribute meaningfully to the Policy Advisory Board for Elder Affairs.

TRACEY WILTGEN

Your Committee received testimony in support of Tracey Wiltgen from the Mediation Centers of Hawaii, National Resource Center for Native Hawaiian Elders, and nine individuals.

Upon review of the testimony, your Committee finds that Ms. Wiltgen's legal background, experience conducting dispute resolution, and involvement with efforts related to Alzheimer's disease and other dementias qualify her to serve on the Policy Advisory Board for Elder Affairs. For the last sixteen years, Ms. Wiltgen has served as Executive Director of The Mediation Center of the Pacific, Inc. In this role, Ms. Wiltgen oversees operations and programs for the nonprofit as well as consults with other agencies such as the Hawaii State Judiciary, Hawaii Civil Rights Commission, and Department of Education to develop in-house mediation and dispute resolution programs. Your Committee notes that Ms. Wiltgen developed the Kupuna Pono program at the Mediation Center of the Pacific to support the elderly and their families in talking about sensitive issues and working through family conflict. Your Committee further finds that Ms. Wiltgen is actively involved in the community as a member of numerous groups and associations, including serving as a member of the Special Advisory Panel overseeing the implementation of *Hawaii 2015: State Plan on Alzheimer's Disease and Other Related Dementias* and the Alzheimer's and Other Dementias Hawaii Task Force. Ms. Wiltgen has also demonstrated leadership roles in various legal associations such as the Rotary Club of Honolulu and the Hawaii Association for Conflict Resolution. Your Committee recognizes that Ms. Wiltgen was a caregiver for her parents for sixteen years and through that experience learned about many frustrations faced by the elderly. Ms. Wiltgen indicated in her personal statement that she hopes to

develop dementia-friendly communities throughout Hawaii and establish convenient resource centers for the elderly and their families on all islands.

LAUREL COLEMAN

Your Committee received testimony in support of Laurel Coleman from one individual.

Upon review of the testimony, your Committee finds that Dr. Coleman's medical experience in the field of geriatrics and specialized knowledge about Alzheimer's disease qualify her to serve on the Policy Advisory Board for Elder Affairs. Dr. Coleman practiced as a physician in the geriatrics division of a medical center for seven years and has been heavily involved in palliative care medicine, hospice, and elder and adult services throughout her medical career. Your Committee notes that Dr. Coleman earned a Certificate of Added Qualification in Geriatric Medicine in 1994, and has committed her career to the field of aging since that time. Dr. Coleman expressed in her personal statement that she seeks to empower older adults by providing them with as many options as possible to be independent, vital, and valued members of the community. Your Committee further finds that Dr. Coleman has actively participated in numerous organizations and delivered over two hundred lectures on aging and Alzheimer's disease. She has served on the National Board of the Alzheimer's Association, the National Alzheimer's Advisory Council in Washington, D.C., and many community boards related to aging. Your Committee finds that Dr. Coleman's extensive regional and national experience will be assets to the Policy Advisory Board for Elder Affairs, as will her important representation of the Island of Kauai.

F. ADELE RUGG

Your Committee received testimony in support of F. Adele Rugg from the Policy Advisory Board for Elder Affairs and one individual.

Upon review of the testimony, your Committee finds that Ms. Rugg's insight into issues on aging and extensive dedication to the community qualify her to serve on the Policy Advisory Board for Elder Affairs. Your Committee notes that Ms. Rugg's community service efforts were recognized in 2011 when she was named "Outstanding Older American" for Maui County as well as "Person of the Year" by the *Maui Time*. While living on Maui for over thirty-five years, Ms. Rugg has been an extremely involved citizen. In addition to being a retired County of Maui employee, Ms. Rugg serves as a board member of Maui Economic Opportunity, Inc.; board member of Kihei Community Association; board member of the Alzheimer's Association, Aloha Chapter; member of the Planning and Coordinating Council consisting of the leaders of all sixty senior clubs on Maui; distinguished member of the Kiwanis Club of Kahului; member of the South Maui Chapter of AARP; volunteer at the Maui Arts and Cultural Center, and a trainer with the American Cancer Society to assist breast cancer survivors. Ms. Rugg has an abundance of compassion and helps those in need, volunteering as a caregiver to a ninety-year-old woman on Maui, as turtle patrol on North Kihei Beach, and as a Citizen on Patrol helping to keep Maui's parks and beaches safe. Your Committee further finds that Ms. Rugg has been appointed to the Policy Advisory Board for Elder Affairs due to her well-deserved reputation as an energetic advocate for Hawaii's kupuna.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1659 Human Services and Housing on Gov. Msg. Nos. 552 and 553

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

G.M. No. 552 BEAU J.K. BASSETT, for a term to expire 6-30-2019; and

G.M. No. 553 MARY PAT WATERHOUSE, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Beau Bassett and Mary Pat Waterhouse to possess the requisite qualifications to be nominated to the Hawaii Community Development Authority (HCDA).

BEAU BASSETT

Your Committee received testimony in support of the nomination of Beau Bassett from The Trust for Public Land and twelve individuals.

Mr. Bassett earned a Juris Doctorate from the William S. Richardson School of Law at the University of Hawaii and Bachelor of Arts degrees in Geography/Hydrology and Hawaiian Studies from the University of Hawaii at Manoa. He currently serves as an Of Counsel attorney with Pitluck Kido & Aipa, LLC, where his practice is centered on business law, nonprofit law, real estate, and trusts and estates. Previously, Mr. Bassett acted as a Deputy Public Defender at the Office of the Public Defender, providing legal representation to Hawaii's indigent population. He also produced, "Out of State", a feature-length documentary on how native Hawaiian culture and arts can rehabilitate and aid in the reintegration of native Hawaiian inmates.

Mr. Bassett indicated in his personal statement that he hopes that each community flourishes and accentuates its own cultural qualities that make the community so unique. He also hopes to see greater unity of vision between public interest and private enterprise.

Your Committee finds that Mr. Bassett's past experiences in Honolulu's business culture, as well as his continuing commitment to ensure the vitality of the Hawaiian culture, will be great assets to the HCDA Board.

MARY PAT WATERHOUSE

Your Committee received testimony in support of the nomination of Mary Waterhouse from ten individuals.

Ms. Waterhouse earned a Master of Business Administration and a Master of Health Administration from Tulane University and a Bachelor of Arts in Biology from the University of California, Santa Barbara. She is currently serving as a community volunteer in many aspects, including as an Advisory Board Member and volunteer for the Waipahu Aloha Clubhouse, a Board Member for the Protection and Advocacy for Individuals with Mental Illness Program, reading volunteer at Manana Elementary School, and a Board Member at Diagnostic Laboratory Services. Previously, Ms. Waterhouse was Director of Budget and Fiscal Services for the City and County of Honolulu, Vice President of Finance for Catholic Charities Hawaii, Vice President of the Hawaii Community Foundation, and Deputy Comptroller for the Department of Accounting and General Services.

Ms. Waterhouse indicated in her personal statement that she believes she can assist the HCDA Board with transparency in its decision-making processes through her independent voice and willingness to ask difficult questions in order to arrive at good decisions that serve the community.

Your Committee finds that Ms. Waterhouse's past experiences in budget management, as well as her demonstration of sound financial leadership, will be great assets to the HCDA Board.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1660 Water and Land on Gov. Msg. No. 868

Recommending that the Senate advise and consent to the nomination of the following:

LAND USE COMMISSION

G.M. No. 868 JONATHAN SCHEUER, for a term to expire 6-30-2016

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jonathan Scheuer to possess the requisite qualifications to be nominated to the Land Use Commission.

Your Committee received testimony in support of Jonathan Scheuer from the State Land Use Commission; Office of Hawaiian Affairs; Koolaupoko Hawaiian Civic Club; Ironworkers Stabilization Fund; Hawaiian Islands Land Trust; Hawaii Thousand Friends; University of Hawaii Biology Alumni Association; West Maui Preservation Association; The Trust For Public Land; Conservation Council Hawaii; Malama O Puna; Windward Ahupuaa Alliance; Surfrider Foundation; Outdoor Circle; Sierra Club, O'ahu Island Burial Council; and numerous individuals. Your Committee received testimony in opposition to Jonathan Scheuer from Lanihau Properties LLC, and one individual.

Jonathan Scheuer received a Doctor of Philosophy in Environmental Studies and a Bachelor of Arts in Environmental Studies from the University of California at Santa Cruz; and a Master's degree in Environmental Studies from Yale University, School of Forestry and Environmental Studies.

Jonathan Scheuer is a sole proprietor of a consulting business helping clients to manage conflicts over natural resources and environmental issues. He works with environmental, Native Hawaiian, scientific, and other communities to address their concerns. He assists stakeholders in identifying and implementing tasks and tactics that can identify key areas of dispute. He is currently an interim appointment to the Land Use Commission.

The nominee's experience includes employment as Director of Land Management and as a Policy Analyst for the Office of Hawaiian Affairs; Lecturer in the Urban and Regional Planning Department and in the Law School at the University of Hawai'i at Mānoa; and Land Evaluation Coordinator at the Kamehameha Schools. His community activities include serving currently on the Board of Directors of the Hawaiian Islands Land Trust. He previously served as Vice Chair of the O'ahu Island Burial Council.

Your Committee believes that Jonathan Scheuer will contribute to well-reasoned decision making. He is a recognized expert in land management, planning, and natural resource and environmental policy, and as a keiki o ka 'āina has dedicated his life to understanding and serving the interests of our island communities. Notably, Mr. Scheuer has substantial professional experience working with the Native Hawaiian community. His personal and professional experiences, his expertise in land management, land acquisition, planning, and natural resource management, and his understanding of Native Hawaiians' relationship with 'āina will enhance the Commission's decision-making process.

In his current business of consultancy, the nominee lists several accomplishments, including:

- (1) Leading the development of the first water policy plan in the history of the Department of Hawaiian Home Lands and leading strategies to secure water for developments statewide while respecting the needs of other stakeholders and users;
- (2) Outreach and strategy efforts to protect the water resources of Kaloko Honokōhau National Historical Park from the impact of surrounding future planned development;
- (3) Strategic planning for various non-profit organizations;
- (4) Facilitating consensus among experts of thirty-, sixty-, and one-hundred-year projections on climate change- driven water and ecosystem trends in Hawaii and the United States affiliated Pacific Islands for the 2012 National Climate Assessment;
- (5) Assisting in outreach and strategy development in the environmental assessments for high profile controversial proposals including the Conservation Use of Rodenticides, the Hawai'i Interisland Renewable Energy Program, and the Turtle Bay Resort redevelopment;

- (6) Developing a team to assess the scientific bases for evaluating fishing regulations for the Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve; and
- (7) Assisting in the development of the first plan for restoration of the Waipā Ahupua'a on Kaua'i.

Jonathan Scheuer brings a wealth of experience to the Commission and a solid foundation in a number of key issue areas important to the community.

The nominee addressed the issue of potential conflicts of interest by stating that he will follow the Land Use Commission's administrative rules regarding the procedure for declaring a conflict and will seek the advice of the Attorney General.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1661 Health on Gov. Msg. No. 665

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, TRI-ISLE SUBAREA

G.M. No. 665 MAUREEN NAGANUMA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Maureen Naganuma to possess the requisite qualifications to be nominated to the Health Planning Council, Tri-Isle Subarea.

Your Committee received testimony in support of the nomination of Maureen Naganuma from the Department of Health.

Upon review of the testimony, your Committee finds that Ms. Naganuma's background in the health care field qualifies her for appointment to the Tri-Isle Subarea Health Planning Council. Ms. Naganuma has accumulated over forty years of experience in the health care arena, including as a registered nurse at St. Francis Medical Center. She earned an Associate of Science in Nursing from the University of Hawaii and is currently the Projects and Development Director for Fresenius Medical Care. Your Committee finds that Ms. Naganuma's past experience in health care, as well as her commitment to giving back to her community, will be great assets to the Council.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1662 Health on Gov. Msg. No. 666

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, WEST OAHU SUBAREA

G.M. No. 666 JILL TAMASHIRO, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jill Tamashiro to possess the requisite qualifications to be nominated for reappointment to the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination of Jill Tamashiro from the Department of Health, Hawaii Public Health Institute, and one individual.

Ms. Tamashiro is currently a Public Health Educator with the Department of Health's Tobacco Prevention and Education Program and a sitting member of the West Oahu Subarea Health Planning Council. She earned a Master of Public Health from the University of Hawaii at Manoa and a Bachelor of Science in Occupational Therapy from the University of Puget Sound. In the past, she served as an Early Intervention Programs Coordinator at the National Kidney Foundation of Hawaii, Education Specialist at the Waianae Coast Comprehensive Health Center, and an Occupational Therapist at The Queen's Medical Center and SunDance Rehabilitation.

Ms. Tamashiro indicated in her personal statement that her past experiences on the Council learning from experts on key health issues that affect Hawaii have enriched her growth as a public health professional.

Your Committee finds that Ms. Tamashiro's past experiences as a public health educator, as well as her willingness to serve her community, will continue to be great assets to the Council.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1663 Health on Gov. Msg. Nos. 675, 676, 677, 678, 679, 680, 681, 682, and 684

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

- G.M. No. 675 NATALIE KAMA, for a term to expire 6-30-2018;
- G.M. No. 676 LIZA T.H. YOGI, for a term to expire 6-30-2018;
- G.M. No. 677 TIMOTHY RENKEN, for a term to expire 6-30-2019;
- G.M. No. 678 AARON KEMP, for a term to expire 6-30-2019;
- G.M. No. 679 SANTO TRIOLO, for a term to expire 6-30-2019;
- G.M. No. 680 ALBERT PEREZ, for a term to expire 6-30-2019;
- G.M. No. 681 JEFFREY OKAMOTO, MD, for a term to expire 6-30-2019;
- G.M. No. 682 JOSEPHINE WOLL, for a term to expire 6-30-2018; and
- G.M. No. 684 RICKY SHIMOKAWA, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Natalie Kama, Liza T.H. Yogi, Timothy Renken, Aaron Kemp, Santo Triolo, Albert Perez, Jeffrey Okamoto, Josephine Woll, and Ricky Shimokawa to possess the requisite qualifications to be nominated to the State Council on Developmental Disabilities.

NATALIE KAMA

Your Committee received testimony in support of the nomination of Natalie Kama from the State Council on Developmental Disabilities.

Ms. Kama is the Pastor, President, and Administrator of The Christian Ministry Church, where she conducts religious worship services and ensures the fiscal and operational management of the church. Her first involvement with the Council was through the Partners in Policymaking Leadership Academy Training, which educates participants to be active partners with those who make policy, and provides training in current disability issues and best practices. Your Committee finds that Ms. Kama's past experiences with the Council, as well as her positive attitude and enthusiasm, will be great assets to the Council.

LIZA T.H. YOGI

Your Committee received testimony in support of the nomination of Liza T.H. Yogi from the State Council on Developmental Disabilities and two individuals.

Ms. Yogi has been highly involved in her community, organizing events for the benefit of community members and organizing fundraisers for the Respite of Family Caregivers. Her past experiences involve restaurant and business management, as well as real estate. Ms. Yogi has been involved with the Council's activities through attendance at East Hawaii Council meetings and the Council's Day at the Capitol event. Your Committee finds that Ms. Yogi's past experiences with the Council, as well as her unique perspective as a parent and legal guardian of a child with a developmental disability, will be great assets to the Council.

TIMOTHY RENKEN

Your Committee received testimony in support of the nomination of Timothy Renken from the State Council on Developmental Disabilities, Disability and Communication Access Board, and four individuals.

Mr. Renken is currently the Community Outreach Chair for the Hawaii Self-Advocacy Advisory Council, where he is responsible for assisting in the coordination of events, such as the Children and Youth Fair and Developmental Disabilities Council's Day at the Capitol. He also is an Administrative Assistant at the University of Hawaii at Manoa Center on Disability Studies, preparing training materials for the Feeling Safe, Being Safe Hawaii training sessions. Your Committee finds that Mr. Renken's past leadership experiences, as well as his continuing passion to help individuals with developmental and other disabilities, will be great assets to the Council.

AARON KEMP

Your Committee received testimony in support of the nomination of Aaron Kemp from State Council on Developmental Disabilities.

Mr. Kemp was appointed to the Council in 2010 and has served in many capacities, such as the Co-Chair of the Maui Developmental Disabilities Committee, Co-Chair of the Developmental Disabilities Council Employment Committee, and Co-Chair of the Maui Self-Advocacy Group. He is currently the Secretary for the Council, taking minutes at meetings and assuming other leadership responsibilities. Your Committee finds that Mr. Kemp's past committee experience, as well as his involvement with the many aspects of the Council, will continue to be great assets to the Council.

SANTO TRIOLO

Your Committee received testimony in support of the nomination of Santo Triolo from the State Council on Developmental Disabilities.

Dr. Triolo is a Clinical Psychologist at Aloha Psychological Services, serving children, adolescents, adults, and families through services related to psychotherapy. He earned a Doctor of Philosophy in Family Relations and Human Development/Developmental Psychology from The Ohio State University and a Bachelor of Arts in Psychology from the University of Michigan. He has also

published numerous papers related to Attention Deficit Hyperactivity Disorder in adults and is an accomplished professor and researcher. Your Committee finds that Dr. Triolo's past experiences in the field of psychology, as well as his willingness to serve individuals with developmental disabilities and their families, will be great assets to the Council.

ALBERT PEREZ

Your Committee received testimony in support of the nomination of Albert Perez from the State Council on Developmental Disabilities.

Mr. Perez is the Division Administrator of the Division of Vocational Rehabilitation for the Department of Human Services, where he is responsible for vocational rehabilitation services to qualified individuals with disabilities seeking competitive employment. He has been serving on the Council since April 2014 and prior to this he was actively involved in committees related to employment for individuals with developmental disabilities, initiating collaborative approaches with the Department of Education and Developmental Disabilities Division to increase employment opportunities and outcomes for individuals with developmental disabilities. Your Committee finds that Mr. Perez's ability to facilitate partnerships with other State and private agencies to promote more employment opportunities for individuals with developmental disabilities will continue to be a great asset to the Council.

JEFFREY OKAMOTO

Your Committee received testimony in support of the nomination of Jeffrey Okamoto from the State Council on Developmental Disabilities, Family Voices of Hawaii, and three individuals.

Dr. Okamoto is currently the Medical Director of the Developmental Disabilities Division for the Department of Health. He is also a Developmental-Behavioral Pediatrics Subspecialist at Kapiolani Medical Center for Women and Children and an Assistant Professor of Pediatrics at the John A. Burns School of Medicine at the University of Hawaii at Manoa. He earned a Doctor of Medicine from the John A. Burns School of Medicine at the University of Hawaii at Manoa and a Bachelor of Arts in Biology from the University of Hawaii at Manoa. He also serves on the National Executive Committee Council on School Health for the American Academy of Pediatrics. Dr. Okamoto was served on the Council since November 2011. Your Committee finds that Dr. Okamoto's background in general and developmental-behavioral pediatrics, as well as his continuing commitment to serving the community, will continue to be great assets to the Council.

JOSEPHINE WOLL

Your Committee received testimony in support of the nomination of Josephine Woll from the State Council on Developmental Disabilities, Family Voices of Hawaii, and two individuals.

Ms. Woll has extensive experience in early intervention services as a past Director of Sultan Easter Seal School. She is a graduate of St. Joseph's Hospital School of Nursing and has served in the past as a Contractor for the Center for Disability Studies at the University of Hawaii at Manoa. Ms. Woll has served on the Council since July 2011, and currently serves as Vice Chair of the Council. Your Committee finds that Ms. Woll's past experiences in early childhood development, as well as her proven leadership record, will continue to be great assets to the Council.

RICKY SHIMOKAWA

Your Committee received testimony in support of the nomination of Ricky Shimokawa from the State Council on Developmental Disabilities.

Mr. Shimokawa is an Educational Specialist for the Department of Education, where he provides school administrators and district personnel with technical assistance on special education concerns. He earned a Masters in Education from Chaminade University and a Bachelor of Arts degree from the University of Hawaii at Manoa. He has extensive experiences in public education, serving as a Vice Principal at various schools. Your Committee finds that Mr. Shimokawa's past experiences in education, as well as his ability to facilitate collaboration between the Council and the Department of Education, will be great assets to the Council.

As affirmed by the records of votes of the members of your Committee on Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 1664 Human Services and Housing on H.C.R. No. 145

The purpose and intent of this measure is to request the convening of a Family Caregivers Working Group to examine and assess legislation relating to the role of caregivers of patients discharged from hospitals.

Your Committee received testimony in support of this measure from the Maui County Office on Aging, AARP Hawaii, Policy Advisory Board for Elder Affairs, Hawaii Pacific Gerontological Society, Kokua Council, Project Dana, Hawaii Alliance for Retired Americans, International Longshore and Warehouse Union Local 142 Hawaii, and nine individuals. Your Committee received comments on this measure from the Department of Health, Healthcare Association of Hawaii, The Queen's Health Systems, and Hawaii Pacific Health.

Your Committee finds that family caregivers are called upon often to provide care for family members who are discharged from the hospital. Your Committee further finds that costs and other factors make family caregiving a necessity for more and more families. Your Committee notes that it is important for hospitals statewide to provide a minimum and consistent level of instruction to caregivers. Your Committee recognizes that hospitals are concerned that mandating hospitals to provide instruction to caregivers upon a patient's discharge could create issues related to liability, cost, and implementation. Mindful of such concerns, your Committee finds that the efforts of the Family Caregivers Working Group created in 2014 are valuable and should be continued. Your Committee

notes, however, that meaningful progress by the working group requires an even balance between caregiver advocates and hospitals in the membership of the working group.

Your Committee has amended this measure by:

- (1) Inserting language to include an option for representation from long-term care facilities in the working group;
- (2) Inserting language to include a member from the Hawaii Association of Health Plans in the working group;
- (3) Specifying that the member of the working group from the Hawaii Health Systems Corporation be the Chief Executive Officer of the Hawaii Health Systems Corporation or the Chief Executive Officer's designee;
- (4) Inserting a provision requesting the working group to analyze public and private community-based resources that are available throughout the State;
- (5) Making the Legislative Reference Bureau responsible for providing logistical support and preparing any reports for the working group instead of the Department of Health; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 145, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 145, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1665 Human Services and Housing on H.C.R. No. 191

The purpose and intent of this measure is to recognize the invaluable role that the elderly women of Hawaii play as mothers of the State's keiki by:

- (1) Commending the Japanese Women's Society Foundation for creating the "Adopt-A-Mom" program; and
- (2) Encouraging all families and agencies working with the elderly of Hawaii to place "Adopt-A-Mom" Day on their calendars as the third Sunday of May.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that the Japanese Women's Society Foundation of Hawaii started the "Adopt-A-Mom" program in 1995 to recognize mothers in Hawaii who are not able to celebrate Mother's Day with family members. The "Adopt-A-Mom" program has enriched the lives of many kupuna and provides an important reminder that Hawaii's elders are an essential part of 'ohana. The program also highlights the efforts of the Japanese Women's Society Foundation to build and maintain a care home at Kuakini Medical Center for elderly women of limited means. Your Committee further finds that former Governor Neil Abercrombie announced that beginning in 2016, the third Sunday of May would be designated as "Adopt-A-Mom" Day on the official state calendar.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 191, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1666 Economic Development and Technology on H.C.R. No. 189

The purpose and intent of this measure is to request the Broadband Assistance Advisory Council (Council) to:

- (1) Create a master plan to provide universal high speed broadband access in resort areas and other areas of importance throughout Hawaii, including but not limited to Honolulu International Airport and Hawaii public schools;
- (2) Develop strategies for the establishment of universal high speed broadband access throughout certain areas of the State;
- (3) Identify best practices to establish a database that identifies current and prospective projects for deploying broadband; and
- (4) Add certain individuals to their membership.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; and Hawaiian Electric Company.

Your Committee finds that universal access to broadband internet services has been touted as a vital economic engine for the nation, an essential vehicle for enhanced learning and medicine, and a critical element of the news and entertainment industries. Your Committee further finds that state action is needed to support investment in the adoption of the development and availability of world-class and universally accessible broadband networks in Hawaii.

Your Committee notes that the Council was formed in 2010. Your Committee further notes that, if unamended, this measure may establish a new working group rather than accomplish the legislative purposes of requesting the Council to expand its membership and to provide the Legislature with a master plan to develop and implement wireless broadband access state-wide in resort areas and other parts of Hawaii.

Your Committee has amended this measure by:

- (1) Amending language to more clearly articulate its purpose and intent to expand the membership of the Council, rather than establish a working group of the Council; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 189, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 189, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1667 Government Operations on H.C.R. No. 204

The purpose and intent of this measure is to request the Chief Procurement Officer to conduct a comprehensive study of each of the individual procurement jurisdictions.

Your Committee received testimony in support of this measure from the State Procurement Office and one individual.

Your Committee finds that the decentralized nature of the state procurement system allows the various procurement jurisdictions to assign employees different job titles, tasks, and workloads. Such variances makes it difficult to assess whether each procurement jurisdiction is adequately staffed to meet mandated contract award and monitoring requirements. Gathering information from each procurement jurisdiction that allows staff positions, duties, work volume, and recommended staffing to be evaluated across procurement jurisdictions will be useful in determining how to strengthen the State's procurement system.

Your Committee has amended this measure by:

- (1) Clarifying that the State Procurement Administrator assists, advises, and guides governmental bodies in matters relating to procurement;
- (2) Clarifying that the State Procurement Administrator is requested to collect information on each of the individual procurement jurisdictions;
- (3) Requesting that the study include the average annual number of contracts assigned to each procurement jurisdiction, rather than the current number assigned;
- (4) Requesting that the study include the current level of contract oversight required during the entire procurement process;
- (5) Amending the title to conform with the purpose of this measure; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 204, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 204, S.D. 1.

Signed by the Senate President on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 1668 (Joint) Hawaiian Affairs and Judiciary and Labor on H.C.R. No. 217

The purpose and intent of this measure is to request that the Judiciary convene a task force to examine establishing Hawaiian language resources for the State of Hawaii Judiciary.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Aha Punana Leo; Ho'omana Pono, LLC; and one individual. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Judiciary and Hawaii Bilingual-Hawaii Olelo Palua.

Your Committees find that the Hawaii State Constitution establishes the Hawaiian language as an official language of the State. In recent decades, great strides have been made to bring about a renaissance of the Hawaiian language. Although there has been momentum in the revitalization of the Hawaiian language, in order for the Hawaiian language to thrive, its usage must be normalized in everyday life. Convening a task force to examine the establishment of Hawaiian language resources for the Judiciary would promote the normalization of the usage of Hawaiian language.

Your Committees have amended this measure by making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Judiciary and Labor that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 217, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 217, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Judiciary and Labor

Ayes, 4. Noes, none. Excused, 3 (Espero, Gabbard, Shimabukuro).

SCRep. 1669 (Joint) Water and Land and Transportation on H.C.R. No. 130

The purpose and intent of this measure is to request the Department of Land and Natural Resources to work with Royal Hawaiian Golf Club to locate and delineate the portions of the Old Government Road that are within the golf course development, and to develop a plan for the management and maintenance of the road alignment, including making certain specified determinations.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources.

Old Government Road once connected the Pali with Waimanalo, but has since been discontinued as a public highway. Old Government Road is owned by the State in fee.

Your Committees find that through years of non-use, various parts of the Old Government Road are in disrepair and in many areas the roadway is overgrown with vegetation.

On June 13, 1968, the Department of Land Utilization, City and County of Honolulu, approved a request by the Royal Hawaiian Golf Club for a conditional use permit to establish a recreational facility. As a condition of the use permit, Royal Hawaiian Golf Club was required to provide and indicate on the approved grading plan, a pedestrian trail for public use over the project site leading from the Maunawili Estates Subdivision to Maunawili Falls. In meeting the requirements of the use permit, Royal Hawaiian Golf Club provided a pedestrian trail to Maunawili Falls that appears to traverse Old Government Road.

Accordingly, this measure requests the Department of Land and Natural Resources to submit a report on its findings and recommendations to the Legislature before the Regular Session of 2016.

As affirmed by the records of votes of the members of your Committees on Water and Land and Transportation that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 130, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Ihara).

Transportation

Ayes, 6. Noes, none. Excused, 3 (English, Kidani, Kouchi).

SCRep. 1670 (Joint) Water and Land and Economic Development and Technology on H.C.R. No. 86

The purpose and intent of this measure is to request the Department of Land and Natural Resources to engage stakeholders to consider adopting permitting provisions requiring employees of watersport excursion companies who take customers on watersport excursions to be trained in basic water safety measures.

Your Committees received testimony in support of this measure from two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Watersport excursion companies are commercial operations that take customers on excursions for the purpose of engaging in watersports, such as kayaking, snorkeling, surfing and stand-up paddle lessons, and scuba diving. Watersport excursion companies, as well as other commercial recreational operations, are required to obtain a permit from the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources.

Your Committees find that potential safety issues are raised when taking consumers on watersport excursions without personnel present who are able to render aid if an emergency occurs, such as training in first aid and cardio pulmonary resuscitation.

Your Committees have amended this measure by clarifying that the requirements in first aid and cardio pulmonary resuscitation may not exceed licensure standards adopted by industry associations, such as those adopted by the scuba industry.

As affirmed by the records of votes of the members of your Committees on Water and Land and Economic Development and Technology that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 86, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 86, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Ihara).

Economic Development and Technology

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 1671 Water and Land on H.C.R. No. 119

The purpose and intent of this measure is to request the Department of Land and Natural Resources to study the causes of the decline of limu and reef fish for the area of the Ewa Coast of Oahu that stretches from the easternmost point of Pu'uloa to Barber's Point, and develop recommendations on what actions need to be taken to stop the decline and replenish the limu and reef fish supply.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee; University of Hawaii Alumni Association; and three individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that there has been a steep decline of limu along the Ewa Coast of Oahu. Limu played an important part in the ancient Native Hawaiian diet. Your Committee further finds that the Ewa Coast of Oahu is also experiencing a markedly steep decline in reef fish. Over-picking and over-fishing, improper harvesting, climate change, urban development, stream flow diversion,

and invasive species are among the factors that can cause declines in the supply of limu and reef fish, and ultimately the destruction of Hawaii's coral reefs.

Your Committee has amended this measure by:

- (1) Deleting the language referencing the necessity to determine the causes of declines since a study is not needed;
- (2) Clarifying that the Department of Land and Natural Resources is requested to provide a report to the Legislature of its recommendations on what actions are needed to stop the decline and replenish the supply of limu and reef fish from the easternmost point of Pu'uloa to Barber's Point;
- (3) Amending the title accordingly; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 119, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 119, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Ihara).

SCRep. 1672 Water and Land on H.C.R. No. 68

The purpose and intent of this measure is to request:

- (1) The Division of Aquatic Resources to strengthen administrative rules governing the protection of indigenous marine wildlife, particularly spinner dolphins, marine mammals, and sea turtles;
- (2) The Division of Aquatic Resources and the Division of Conservation and Resource Enforcement to increase collaboration with federal partners on federal rules related to spinner dolphins, marine mammals, and sea turtles; and
- (3) The Division of Aquatic Resources and the Division of Conservation and Resource Enforcement to continue to explore additional mechanisms to access federal and private funding for the protection of marine mammals and sea turtles.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Humane Society of the United States – Hawaii, University of Hawaii Biology Alumni Association, Christ Hart & Partners Inc, and three individuals.

Your Committee finds that the Department of Land and Natural Resources' administrative rules regarding marine indigenous wildlife, particularly spinner dolphins, marine mammals, and sea turtles, should be strengthened and updated to complement existing federal regulations. Your Committee further finds that opportunities for greater collaboration with federal agencies and for federal and private funding should be explored to build upon existing initiatives and take advantage of available funding to improve the management of indigenous wildlife when state resources are limited.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 68, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Galuteria, Ihara).

SCRep. 1673 Judiciary and Labor on Gov. Msg. No. 884

Recommending that the Senate advise and consent to the nomination of the following:

HOISTING MACHINE OPERATORS ADVISORY BOARD

G.M. No. 884 ANGELA CHINEN for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Angela Chinen to possess the requisite qualifications to be nominated to serve on the Hoisting Machine Operators Advisory Board.

Your Committee received testimony in support of the nomination of Angela Chinen from the Department of Labor and Industrial Relations and Hawaii Operating Engineers Industry Stabilization Fund.

Ms. Chinen received her Associate in Science degree in Applied Trades from Honolulu Community College. She has an extensive background in construction starting with joining the Carpenters Union Apprenticeship Program on Kauai and moving to Oahu after completing the program to continue her career in construction. She worked as a carpenter in various capacities with the Carpenters Union while also serving as an Instructor of Math and Blueprint Reading for the apprentice program at Honolulu Community College for ten years. In 2004, she joined the Operating Engineers Local Union No. 3 as a Surveyor and began operating tower cranes. In 2013, she became a Crane Instructor for the Joint Apprenticeship Committee of the Operating Engineers Local Union No. 3.

Of particular note, Ms. Chinen is the only female crane operator instructor in the State. She holds numerous certifications, including being a Certified Crane Operator in tower cranes, fixed and swing cab hydraulic cranes, and truck and crawler lattice cranes. She is also a certified Signal Person/Rigger and Accredited Practical Examiner.

Ms. Chinen is extremely well-qualified and possesses extensive experience and a depth of knowledge in the construction industry. She is familiar with the issues facing the Hoisting Machine Operators Advisory Board and the State. Ms. Chinen will contribute valuable insights based on experience and provide specific suggestions on ways to address and resolve various issues, which makes her an extraordinary asset to the Hoisting Machine Operators Advisory Board.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 1674 Water and Land on Gov. Msg. No. 750

Recommending that the Senate advise and consent to the nomination of the following:

CHAIRPERSON OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES

G.M. No. 750 SUZANNE CASE, for a term to expire 12-31-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Suzanne Case to possess the requisite qualifications to be nominated to the Chairperson of the Board of Land and Natural Resources.

Your Committee received testimony in support of Suzanne Case from the Office of the Governor; Department of Land and Natural Resources; Department of Transportation; Department of Human Services; Department of Accounting and General Services; Department of Budget and Finance; Department of Agriculture; Office of Hawaiian Affairs; National Oceanic and Atmospheric Administration, Office of National Marine Sanctuaries; Aha Moku Advisory Committee; Ulupono Initiative; National Tropical Botanical Garden; Hawaii Cattlemens Council; Hoomana Pono LLC; Malama Pupukea Waimea; Hawaiian Islands Land Trust; Malama Maunaloa; Building Industry Association of Hawaii; Hawaii Agricultural Partnerships; Hawaii Thousand Friends; University of Hawaii Biology Alumni Association; Hawaii Community Foundation; West Maui Preservation Association; The Trust for Public Land; Ko'olaupoko Hawaiian Civic Club; Ko'olau Foundation; Hanalei Watershed Hui; Hawaiian Islands Humpback Whale National Marine Sanctuary; Conservation Council for Hawaii; The Nature Conservancy; The Outdoor Circle; South Kohala Reef Alliance; Gay, Lesbian, Bisexual and Transgender Caucus of the Democratic Party of Hawaii; Ohulehule Forest Conservancy LLC; Malama O Puna; Hawaii Fishing & Boating Association; Hawaii Fish Company; Chamber of Commerce Hawaii; Hawaii Forest Industry Association; Surfrider Foundation; Friends of Pebble Beach; Hawaii Pork Industry Association; Sierra Club; American Bird Conservancy; Bays Lung Rose Holma Attorneys at Law; Land Use Research Foundation of Hawaii; and numerous individuals.

Your Committee received testimony in opposition to Suzanne Case from Animal Rights Hawai'i; Puna Commissioner-GMAC; Hawaii Fishermen's Alliance For Conservation and Tradition, Inc.; Fishing Tales with Mike Sakamoto; Hawaii Hunting Association; National Wild Turkey Federation; and forty-one individuals.

Suzanne Case is the Executive Director of The Nature Conservancy of Hawaii. She was born in Hilo and grew up in Honolulu. She attended Williams College and graduated from Stanford University with honors with a Bachelor of Arts degree in History. She received a law degree from Hastings College of the Law, at the University of California, San Francisco. Ms. Case practiced law in Honolulu from 1983 to 1987, specializing in real estate transactions.

Suzanne Case is a twenty-eight year veteran of The Nature Conservancy where she has served as Executive Director since 2001. She oversees a staff of seventy-six people and sixteen nature preserves totaling 53,000 acres. Her experience involves work in native forests and in coastal and marine conservation, directly and through partnerships on six main Hawaiian Islands. Ms. Case also oversees the Palmyra Atoll Nature Preserve and Research Station in the Pacific, a globally acclaimed conservation and research collaboration of The Nature Conservancy, the United States Fish and Wildlife Service, and the Palmyra Atoll Research Consortium.

During her years at The Nature Conservancy, the nominee served as Legal Counsel for The Nature Conservancy Program, the Western United States, and internationally in the Asia and Pacific region. Ms. Case also oversaw the acquisition of the 116,000 acre Kahuku Ranch addition to the Hawaii Volcanoes National Park, eight Hawaii Nature Conservancy preserves, Palmyra Atoll, the new National Wildlife Refuge at Hakalau on the slopes of Mauna Kea and at Oahu Forest, as well as the creation of watershed partnerships for forested management throughout Hawaii, the growth of networks of local communities working to restore their near-shore marine resources, and the implementation of large-scale projects to remove invasive algae from reefs and coastal areas.

Ms. Case co-created "Ke Ho'olono Nei", a Hawaiian song about loss and stewardship of native Hawaiian forest birds, and "Maoli No" a free educational digital video disc of Hawaiian songs, chants, and stories developed by The Nature Conservancy in 2003 for the Year of the Hawaiian Forest on the one hundredth anniversary of the creation of the Hawaii Forest Reserve System.

The nominee has been a member of numerous private community groups that are involved in conservation and natural resource preservation. The Nature Conservancy works with over a dozen local communities and other partners to protect the reefs and near-shore waters of the main Hawaiian Islands. Ms. Case has received multiple honors for her contributions to forest and marine conservation throughout Hawai'i, including The Garden Club of Honolulu Hui Māla Award, Young Women's Christian Association Leader Honoree, and Ho'okele Award for Non-Profit Leadership from the Hawai'i Community Foundation and the W.A. Gerbode Foundation.

Suzanne Case believes in wise stewardship of Hawaii's public and conservation lands and waters, excellence in government, making the most of limited resources, and collaboration and inclusion.

Ms. Case's experience at The Nature Conservancy augurs well for the work of the Chairperson of the Board of Land and Natural Resources. Her written responses to the questionnaire indicated that The Nature Conservancy regularly works with communities and resource users with a stake in management and use of Hawaii's forests, oceans, and other natural resources. Their principal approach is based on the principles that most viewpoints and goals are legitimate and that most times a solution can be found that accommodates most viewpoints. The Nature Conservancy forged a number of conservation agreements in which landowners, government, businesses, and diverse community groups became interested stakeholders and full participants, including subjects covering near-shore fisheries, community-based marine management much like the konohiki system, traditional and customary gathering rights, protection of native forests, accessible hunting, and recreational uses of land and water.

Ms. Case believes that preservation does not mean cutting off, such as by fencing, access to public land if that access is compatible with human uses such as hunting and gathering rights. She is anxious to accelerate and improve access to areas of hunting and gathering rights.

Ms. Case's wide range of experience at The Nature Conservancy, which ranges from land acquisition, to watershed management, to the restoration of near-shore marine resources, makes her well suited for the position of Chairperson of the Board of Land and Natural Resources. Her ability to create partnerships in order to accomplish her agency's mission will also serve the Department well.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 1675 Human Services and Housing on H.C.R. No. 104

The purpose and intent of this measure is to request the Auditor to have an audit conducted of the Department of Human Services, including its Med-QUEST Division and the Kuahale On-Line Eligibility Assistance (KOLEA) System, the eligibility determination system of the Division.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that KOLEA is the Department of Human Services' updated Medicaid integrated eligibility system for the Med-QUEST Division. KOLEA replaces a very old eligibility system and is intended to advance Hawaii's Medicaid system by offering applicants the option to submit applications online. Your Committee notes that KOLEA was built with ninety percent federal funding. Although KOLEA had significant technical difficulties, many of the difficulties were resolved and KOLEA processed approximately 330,000 Medicaid renewals and applications in its first year of operation. Your Committee further finds that the Legislature is interested in whether public funds were used in an effective and efficient manner, in fulfillment of the intended objectives. Therefore, your Committee requests an audit to examine the procurement process of KOLEA, examine whether the system met its objectives, and make recommendations for improving the Department's large information technology systems.

Your Committee has amended this measure by:

- (1) Inserting language requesting the Department of the Attorney General to conduct the audit;
- (2) Inserting a provision indicating that the Department of Human Services will pay up to \$100,000 for the audit; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 104, H.D. 2, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 104, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1676 Hawaiian Affairs on H.C.R. No. 149

The purpose and intent of this measure is to request the Department of Health to review, develop, and implement its administrative rules and policies to facilitate and encourage traditional Hawaiian burials.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Aha Moku Advisory Committee, Koolau Foundation, Koolaupoko Hawaiian Civic Club, Kalihi Palama Hawaiian Civic Club, Panaewa Hawaiian Home Lands Community Association, Center for Hawaiian Sovereignty Studies, and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that traditional Hawaiian burial practices of reducing a corpse to na iwi (the bones) has been made safe, feasible, and cost effective through the use of modern technology. In addition, traditional Hawaiian burial of na iwi is cleaner and more environmentally friendly than modern burial techniques that utilize chemicals. Your Committee finds that the Department of Health does not currently have rules and policies governing traditional Hawaiian burial practices. The implementation and adoption of such rules and policies would serve to facilitate and encourage the use of traditional Hawaiian burial practices.

Your Committee has amended this measure by:

- (1) Amending the title to request the Department of Health to review, develop, and implement rules and policies regarding traditional Hawaiian burial practices; and
- (2) Inserting a definition of "traditional Hawaiian burial".

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 149, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as H.C.R. No. 149, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 1677 (Joint) Energy and Environment and Health and Public Safety, Intergovernmental and Military Affairs on H.C.R. No. 66

The purpose and intent of this measure is to request the Director of Health to:

- (1) Develop and implement a course of action that emphasizes collaboration, openness, and strengthening of the long-term relationship between the State and United States Navy in addressing and resolving issues relating to the leakage of fuel from the Navy's Red Hill Underground Fuel Storage Facility; and
- (2) Submit a report of findings and recommendations on the Department of Health's course of action, including proposed legislation, if any, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, and Board of Water Supply of the City and County of Honolulu.

Your Committees find that on January 24, 2014, the United States Navy confirmed that a fuel leakage from Red Hill Storage Tank No. 5 caused the release of gallons of jet fuel, threatening a major source of drinking water for the people of Hawaii. The "good neighbor" policy of the State and military community, fostered by open dialog, a collaborative approach, and an appreciation of the other party's circumstances, has overcome and resolved many issues between the parties in the past, and this policy of mutual respect and openness is critical for a mutually beneficial future for everyone. Implementation of this measure will provide better assurance that the issues relating to the leakage of fuel from the Red Hill Underground Fuel Storage Facility are addressed and resolved through a course of action that emphasizes collaboration, openness, and strengthening of the long-term relationship between the State and the United States Navy.

As affirmed by the records of votes of the members of your Committees on Energy and Environment, Health, and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 66, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Ihara).

Health

Ayes, 6. Noes, none. Excused, 1 (Riviere).

Public Safety, Intergovernmental and Military Affairs

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 1678 Commerce and Consumer Protection on Gov. Msg. Nos. 621 and 622

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF MASSAGE THERAPY

G.M. No. 621 GEORGE DAVIS, for a term to expire 6-30-2019; and

G.M. No. 622 PAULA BEHNKEN, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds George Davis and Paula Behnken to possess the requisite qualifications to be nominated to the Board of Massage Therapy.

GEORGE DAVIS

Your Committee received testimony in support of the nomination of George Davis from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Davis' knowledge, background, and proven experience on the Board of Massage Therapy qualify him for reappointment to the Board of Massage Therapy as a licensee member. Your Committee notes that Mr. Davis has been licensed as a massage therapist in Hawaii since 1998 and runs his own massage therapy practice. Mr. Davis has been a member of the Board of Massage Therapy since July 2012 and currently serves as the Vice Chair of the Board. Your Committee further finds that Mr. Davis' background as a massage therapist and active participation in Board discussions continues to enhance the effectiveness of the Board of Massage Therapy. Your Committee therefore recommends that Mr. Davis be reappointed to the Board of Massage Therapy based on his background, experience, and dedication to his profession and public service.

PAULA BEHNKEN

Your Committee received testimony in support of the nomination of Paula Behnken from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Behnken's background and dedication to serving her community qualify her for appointment to the Board of Massage Therapy as a public member. Your Committee notes that Ms. Behnken is currently employed in an administrative capacity at the Maui School of Therapeutic Massage, a position which has enabled her to gain familiarity with the practice of massage therapy and the training requirements for massage therapists. Your Committee further finds that Ms. Behnken has a thorough understanding of the role and responsibilities of board members and is fully qualified to advocate for the public interest as a public member on the Board of Massage Therapy. Your Committee therefore recommends that Ms. Behnken be appointed to the Board of Massage Therapy based on her knowledge, background, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1679 Commerce and Consumer Protection on Gov. Msg. No. 624

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF VETERINARY EXAMINERS

G.M. No. 624 JENEE ODANI, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jene Odani to possess the requisite qualifications to be nominated to the Board of Veterinary Examiners.

Your Committee received testimony in support of the nomination of Jene Odani from the Department of Commerce and Consumer Affairs and six individuals.

Upon review of the testimony, your Committee finds that Dr. Odani's knowledge, diverse background in veterinary medicine, and proven experience on the Board of Veterinary Examiners qualify her for reappointment to the Board of Veterinary Examiners as a licensee member. Your Committee notes that Dr. Odani has been a licensed veterinarian in Hawaii since 1999, is a veterinary medical officer for the Hawaii Department of Agriculture, and is currently the only board-certified veterinary pathologist in the State. Your Committee further finds that Dr. Odani has been a member of the Board of Veterinary Examiners since 2012 and has been a source of invaluable information to the Board, by virtue of her extensive involvement coordinating the Classical Swine Fever Surveillance cooperative agreement with the United States Department of Agriculture, Animal and Plant Health Inspection Service – Veterinary Services. Your Committee therefore recommends that Dr. Odani be reappointed to the Board of Veterinary Examiners based on her background, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1680 Commerce and Consumer Protection on Gov. Msg. No. 625

Recommending that the Senate advise and consent to the nomination of the following:

CABLE ADVISORY BOARD

G.M. No. 625 TIMOTHY O. BRYAN, for a term to expire 6-30-2019. (Cable Advisory Board amended to Cable Advisory Committee by GM756.)

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Timothy O. Bryan to possess the requisite qualifications to be nominated to the Cable Advisory Committee.

Your Committee received testimony in support of the nomination of Timothy O. Bryan from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Bryan's background, commitment to serving the community, and experience on the Cable Advisory Committee qualify him for reappointment to the Cable Advisory Committee. Your Committee notes that Mr. Bryan has worked in various capacities in the television industry since 1976, and is currently a producer, director, and freelance cameraman for Tim O. Bryan Video Production Services in Volcano, Hawaii. Mr. Bryan's diverse experience in the broadcasting and communications industry also includes prior service as a board member and President of the Big Island Press Club and board member of Na Leo O Hawaii Community Access Television. Your Committee further finds that Mr. Bryan was first appointed to the Cable Advisory Committee in April 2014 pursuant to G.M. No. 698 and his experience as the Hawaii County member continues to bring a valuable neighbor island perspective to the Committee. Your Committee therefore recommends that Mr. Bryan be reappointed to the Cable Advisory Committee based on his knowledge, experience, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1681 Commerce and Consumer Protection on Gov. Msg. No. 626

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOXING COMMISSION OF HAWAII

G.M. No. 626 NANTE MANANGAN, for a term to expire 6-30-2019 (as amended by GM874)

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Nante Manangan to possess the requisite qualifications to be nominated to the State Boxing Commission of Hawaii.

Your Committee received testimony in support of the nomination of Nante Manangan from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Mr. Manangan's background, experience, and commitment to serving his community qualify him for appointment to the State Boxing Commission of Hawaii. Your Committee notes that Mr. Manangan started boxing as a teenager on Molokai in the 1960s and is the Chief Executive Officer of the Southside Boxing Club of Maui, Inc., which he founded in 1996. Mr. Manangan has been actively involved in the sport of boxing on Maui for the past twenty years, including acting as an events promoter and as a coach for numerous boxers of different skill and age levels. Your Committee further finds that Mr. Manangan has a thorough understanding of the role and responsibilities of commission members and therefore recommends that Mr. Manangan be appointed to the State Boxing Commission of Hawaii based on his experience, dedication to the sport of boxing, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1682 Commerce and Consumer Protection on Gov. Msg. Nos. 728, 729, 730, and 731

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF ELECTRICIANS AND PLUMBERS

- G.M. No. 728 MATTHEW BRADY, for a term to expire 6-30-2019;
- G.M. No. 729 PHILLIP LUCERO, for a term to expire 6-30-2015;
- G.M. No. 730 PHILLIP LUCERO, for a term to expire 6-30-2018; and
- G.M. No. 731 VERNON TA'A, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Matthew Brady, Phillip Lucero, and Vernon Ta'a to possess the requisite qualifications to be nominated to the Board of Electricians and Plumbers.

MATTHEW BRADY

Your Committee received testimony in support of the nomination of Matthew Brady from the Department of Commerce and Consumer Affairs and Plumbing and Mechanical Contractors Association of Hawaii.

Upon review of the testimony, your Committee finds that Mr. Brady's background, dedication to serving the public, and experience on the Board of Electricians and Plumbers qualify him for reappointment to the Board of Electricians and Plumbers as a plumber member. Your Committee notes that Mr. Brady has been in the plumbing industry for over twenty-seven years and has been licensed as a journey worker plumber in Hawaii since 1992. Mr. Brady is currently an agent and Vice President of the Plumbers and Fitters Union Local 675 and previously spent twenty-five years with Dorvin D. Leis, Co., Inc. Your Committee further finds that Mr. Brady has served on the Board of Electricians and Plumbers since July 2011 and his experience as a licensed plumber continues to enhance the effectiveness of the Board, and recommends that Mr. Brady be reappointed to the Board of Electricians and Plumbers based on his knowledge, experience, and desire to contribute to the community.

PHILLIP LUCERO

Your Committee received testimony in support of the nomination of Phillip Lucero from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Lucero's background, experience, and desire to contribute to the community qualify him for appointment and reappointment to the Board of Electricians and Plumbers as an electrician member. Your Committee notes that Mr. Lucero has been in the electrical trade for over twenty-eight years, has been licensed as a journey worker electrician since 1992 and an electrical contractor since 2011, and is the Co-President and responsible managing employee for Electricians, Inc. Your Committee further finds that Mr. Lucero has served as an interim appointee on the Board of Electricians and Plumbers since July 2014 and his years of experience in the electrical trade continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Lucero be appointed and reappointed to the Board of Electricians and Plumbers based on his knowledge, experience, and commitment to public service.

VERNON TA'A

Your Committee received testimony in support of the nomination of Vernon Ta'a from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Ta'a's background, dedication to serving the public, and experience on the Board of Electricians and Plumbers qualify him for reappointment to the Board of Electricians and Plumbers as a public member. Your Committee notes that Mr. Ta'a is familiar with the law and rules governing electricians and plumbers in Hawaii, by virtue of his experience as the legislative liaison for the Plumbers and Fitters Union Local 675, a position he held for over fifteen years before his retirement in 2009. Your Committee further finds that Mr. Ta'a has served on the Board of Electricians and Plumbers since July 2011 and his insight from the public's perspective has been invaluable to the deliberations of the Board. Your Committee therefore recommends that Mr. Ta'a be reappointed to the Board of Electricians and Plumbers based on his experience and commitment to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1683 Commerce and Consumer Protection on Gov. Msg. Nos. 732, 733, 734, and 735

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF EXAMINERS IN OPTOMETRY

G.M. No. 732 GAYLE C. CHANG, for a term to expire 6-30-2019;

G.M. No. 733 DR. GIFFREY E. REYNOLDS, for a term to expire 6-30-2019. (Nominee's name amended to DR. GEOFFREY E. REYNOLDS by GM755.);

G.M. No. 734 DR. JERE H. E. LOO, for a term to expire 6-30-2019; and

G.M. No. 735 DR. SEULYN K.L. AU, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Gayle C. Chang, Geoffrey E. Reynolds, Jere H.E. Loo, and Seuly N K.L. Au to possess the requisite qualifications to be nominated to the Board of Examiners in Optometry.

GAYLE C. CHANG

Your Committee received testimony in support of the nomination of Gayle C. Chang from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Ms. Chang's background, desire to serve the community, and experience on the Board of Examiners in Optometry qualify her for reappointment to the Board of Examiners in Optometry as a public member. Your Committee notes that Ms. Chang is a dental hygienist with almost forty years of experience in Hawaii. Ms. Chang also previously served two terms as a dental hygienist member on the Board of Dental Examiners, where she spent time as Vice Chair. Your Committee further finds that Ms. Chang has served on the Board of Examiners in Optometry since July 2010 and her ability to provide a perspective from the public's point of view continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. Chang be reappointed to the Board of Examiners in Optometry based on her background, experience, and commitment to public service.

GEOFFREY E. REYNOLDS

Your Committee received testimony in support of the nomination of Geoffrey E. Reynolds from the Department of Commerce and Consumer Affairs, Hawaii Optometric Association, and four individuals.

Upon review of the testimony, your Committee finds that Dr. Reynolds' knowledge, background, and experience on the Board of Examiners in Optometry qualify him for reappointment to the Board of Examiners in Optometry as a licensee member. Your Committee notes that Dr. Reynolds is an optometrist in private practice, has been licensed in Hawaii since 1998, and is a Fellow in the American Academy of Optometry. Dr. Reynolds has been a member of the Board of Examiners in Optometry since July 2011, currently serves as the Chairperson of the Board, and is the Board's delegate to attend National Association of Regulatory Boards of Optometry meetings. Your Committee further finds that Dr. Reynolds's experience remains a valuable asset to the Board of Examiners in Optometry and recommends that Dr. Reynolds be reappointed to the Board of Examiners in Optometry based on his background, experience, and dedication to public service.

JERE H.E. LOO

Your Committee received testimony in support of the nomination of Jere H.E. Loo from the Department of Commerce and Consumer Affairs, Hawaii Optometric Association, and one individual.

Upon review of the testimony, your Committee finds that background, knowledge, and experience on the Board of Examiners in Optometry qualify him for reappointment to the Board of Examiners in Optometry as a licensee member. Your Committee notes that Dr. Loo is a second generation optometrist who has maintained his practice of primary care optometry on Kauai for twenty-eight years. Dr. Loo has previous experience on the Board of Examiners in Optometry and has been a current member of the Board since July 2012. Your Committee further finds that Dr. Loo's many years of experience in a rural setting bring a unique perspective that continues to enhance the effectiveness of the Board of Examiners in Optometry. Your Committee therefore recommends that Dr. Loo be reappointed to the Board of Examiners in Optometry based on his knowledge, experience, and commitment to serving the public.

SEULYN K.L. AU

Your Committee received testimony in support of the nomination of Seuly N K.L. Au from the Department of Commerce and Consumer Affairs, Hawaii Optometric Association, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Au's knowledge, background, and commitment to serving the community qualify her for appointment to the Board of Examiners in Optometry as a licensee member. Your Committee notes that Dr. Au has been a licensed optometrist in Hawaii for over thirty years and was the founder and managing optometric director of the Kalihi-Palama Optometry Clinic, the State's first and only nonprofit eye clinic that provides eye care to homeless and medically underserved residents. Dr. Au is also actively involved with her community, including serving in leadership roles for Palama Settlement and on the boards of other nonprofit organizations. Your Committee further finds that Dr. Au has a thorough understanding of the role and

responsibilities of board members and recommends that Dr. Au be appointed to the Board of Examiners in Optometry based on her background, experience, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1684 Commerce and Consumer Protection on Gov. Msg. No. 736

Recommending that the Senate advise and consent to the nomination of the following:

ELEVATOR MECHANICS LICENSING BOARD

G.M. No. 736 LAWRENCE MORINAGA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Lawrence Morinaga to possess the requisite qualifications to be nominated to the Elevator Mechanics Licensing Board.

Your Committee received testimony in support of the nomination of Lawrence Morinaga from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Morinaga's knowledge, background, and proven leadership on the Elevator Mechanics Licensing Board qualify him for reappointment to the Elevator Mechanics Licensing Board as a licensee member. Your Committee notes that Mr. Morinaga has been licensed as an elevator mechanic in Hawaii since 1990 and has worked in all aspects of the elevator trade, including construction, modernization, and repair and maintenance. Your Committee further finds that Mr. Morinaga was first appointed to the Elevator Mechanics Licensing Board in 2011 and currently serves as the Vice Chair of the Board, and his years of experience in his profession continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Morinaga be reappointed to the Elevator Mechanics Licensing Board based on his background, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1685 Commerce and Consumer Protection on Gov. Msg. No. 739

Recommending that the Senate advise and consent to the nomination of the following:

MOTOR VEHICLE REPAIR INDUSTRY BOARD

G.M. No. 739 ROBERT FIGAROA, JR., for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Robert Figaroa, Jr., to possess the requisite qualifications to be nominated to the Motor Vehicle Repair Industry Board.

Your Committee received testimony in support of the nomination of Robert Figaroa, Jr., from the Department of Commerce and Consumer Affairs; Bussell Electric – Hawaii, Inc.; and one individual.

Upon review of the testimony, your Committee finds that Mr. Figaroa's background, experience, and desire to contribute to the community qualify him for appointment to the Motor Vehicle Repair Industry Board as an industry member. Your Committee notes that Mr. Figaroa is a certified mechanic in good standing in the State and is the owner of Impulse Repairs, LLC. Mr. Figaroa is also an ASE Certified Technician, certified structural welder, and a motivational speaker. Your Committee further finds that Mr. Figaroa has a thorough understanding of the role and responsibilities of board members and his experience in the motor vehicle repair industry combined with his diverse background will be an asset to the discussions of the Board. Your Committee therefore recommends that Mr. Figaroa be appointed to the Motor Vehicle Repair Industry Board based on his knowledge, experience, and commitment to his industry and public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1686 Commerce and Consumer Protection on Gov. Msg. Nos. 773, 774, 775, 777, and 778

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAI'I HEALTH CONNECTOR

G.M. No. 773 ANDREW GARRETT, for a term to expire 6-30-2019;

G.M. No. 774 CALVIN L. HUTTON, for a term to expire 6-30-2015;

G.M. No. 775 CALVIN L. HUTTON, for a term to expire 6-30-2019;

G.M. No. 777 JOANNE H. KEALOHA, for a term to expire 6-30-2018; and

G.M. No. 778 RICHARD KEENE, for a term to expire 6-30-2018,

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Andrew Garrett, Calvin L. Hutton, Joanne H. Kealoha, and Richard Keene to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Health Connector.

ANDREW GARRETT

Your Committee received testimony in support of the nomination of Andrew Garrett from the Department of Health, Department of Human Services, Board of Directors of the Hawai'i Health Connector, Hawai'i Primary Care Association, Healthcare Association of Hawaii, Hawaii Institute for Public Affairs, The Queen's Health Systems, and five individuals.

Upon review of the testimony, your Committee finds that Mr. Garrett's background, experience, and commitment to community service qualify him for appointment to the Board of Directors of the Hawaii Health Connector. Your Committee notes that Mr. Garrett is currently the Legislative Director for the Healthcare Association of Hawaii and is knowledgeable about trends in health care innovation and well-acquainted with the State's health care landscape. Mr. Garrett previously served as the project director of the Hawaii Healthcare Project, a public-private partnership between the Office of Governor Neil Abercrombie and stakeholders of Hawaii's healthcare industry, where he oversaw the development of the State Health Innovation Plan that was submitted to the federal Centers for Medicare and Medicaid Innovation Center. Mr. Garrett also previously served on the corporate board of the Hawaii Health Systems Corporation, an experience that gave him a clear understanding of the fiduciary responsibility of board members. Your Committee further finds that Mr. Garrett has a familiarity and appreciation of the challenges of implementing federal health reform that will serve as a strong foundation for his service on the Board of Directors and therefore recommends that Mr. Garrett be appointed to the Board of Directors of the Hawaii Health Connector based on his experience, dedication to improving access to health care, and commitment to public service.

CALVIN L. HUTTON

Your Committee received testimony in support of the nomination of Calvin L. Hutton from the Department of Human Services, Board of Directors of the Hawai'i Health Connector, Chamber of Commerce Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Hutton's background, experience, and commitment to public service qualify him for appointment to the Board of Directors of the Hawaii Health Connector. Your Committee notes that Mr. Hutton is the Vice President and General Manager of Ceridian's Hawaii District and has thirty-five years of experience helping small businesses in Hawaii establish sound business practices relating to human capital management. In this role, Mr. Hutton has developed considerable experience related to information technology concepts, accounting, payroll, human resources, COBRA compliance, and benefit management. Mr. Hutton was also a member of the state task force established during the original organization phase of the Hawaii Health Connector and has continued to attend the majority of Board meetings for the Connector, where he has engaged the Directors and staff on issues to support the Connector. Your Committee further finds that Mr. Hutton's wealth of executive management expertise and his ability to visualize how technology can be applied to business will be strong assets to the Board of Directors. Your Committee therefore recommends that Mr. Hutton be appointed and reappointed to the Board of Directors of the Hawaii Health Connector based on his knowledge, experience, and commitment to ensuring the successful implementation of the Hawaii Health Connector.

JOANNE H. KEALOHA

Your Committee received testimony in support of the nomination of Joanne H. Kealoha from the Department of Human Services; Board of Directors of the Hawai'i Health Connector; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; Hawaii State AFL-CIO; International Longshore and Warehouse Union Local 142; International Brotherhood of Electrical Workers Local Union 1186; International Organization of Masters, Mates & Pilots; Ironworkers Stabilization Fund; Marine Engineers' Beneficial Organization, AFL-CIO; Sailors Union of the Pacific; and ten individuals.

Upon review of the testimony, your Committee finds that Ms. Kealoha's background, experience, and commitment to community service qualify her for appointment to the Board of Directors of the Hawaii Health Connector. Your Committee notes that Ms. Kealoha has been a social services coordinator for the International Longshore and Warehouse Union Local 142 for almost thirty years and is highly familiar and knowledgeable about health care in Hawaii and the history of the evolution of the State's unique health care system. Ms. Kealoha is also highly committed to and active in her community, including serving as the board secretary for Hawaii Meals on Wheels, an advisor to the Hawaii Alliance for Retired Americans, and as a member of the Labor's Community Services Committee of Oahu, and her long history of serving the community gives her unique insight into the needs of the State's residents. Your Committee further finds that Ms. Kealoha's professional experience with a labor organization and her extensive record of public service will be strong assets to the Board of Directors. Your Committee therefore recommends that Ms. Kealoha be appointed to the Board of Directors of the Hawaii Health Connector based on her background, knowledge, and commitment to ensuring the success of the Hawaii Health Connector.

RICHARD KEENE

Your Committee received testimony in support of the nomination of Richard Keene from the Department of Human Services, Board of Directors of the Hawai'i Health Connector, Healthcare Association of Hawaii, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Keene's background, experience, and commitment to public service qualify him for appointment to the Board of Directors of the Hawaii Health Connector. Your Committee notes that Mr. Keene has significant experience in finance and has held management positions in publicly-traded companies and a large-nonprofit organization. Mr. Keene is currently an independent financial consultant and previously served as the Senior Vice President, Chief Financial Officer,

and Treasurer of The Queen's Health Systems and as Vice Chair and Chief Financial Officer of the Bank of Hawaii Corporation. Mr. Keene is also dedicated to serving his community and has served on the board of several nonprofits, including currently serving on the boards of directors for the Juvenile Diabetes Research Foundation, Hawaii Chapter and the Kalihi-Palama Health Center. Your Committee further finds that Mr. Keene has a thorough understanding of the challenges and opportunities facing the health care industry and this knowledge combined with his financial background will be assets to the Board of Directors. Your Committee therefore recommends that Mr. Keene be appointed to the Board of Directors of the Hawaii Health Connector based on his experience, dedication to improving access to health care, and commitment to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce and Consumer Protection that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1687 Commerce and Consumer Protection on Gov. Msg. No. 779

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PHARMACY

G.M. No. 779 CAROLYN MA, for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Carolyn Ma to possess the requisite qualifications to be nominated to the Board of Pharmacy.

Your Committee received testimony in support of the nomination of Carolyn Ma from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Ma's knowledge, background, and proven experience on the Board of Pharmacy qualify her for reappointment to the Board of Pharmacy as a pharmacist member. Your Committee notes that Dr. Ma has been a licensed pharmacist in Hawaii since 1988 and has worked in a variety of settings, with experience as a clinical pharmacy specialist in oncology, pharmacy manager, and management consultant. Dr. Ma is currently the Chair and an Associate Professor of the Department of Pharmacy Practice at the University of Hawaii, Hilo, Daniel K. Inouye College of Pharmacy, where she has been instrumental in building a working relationship between the students at the College and the Board of Pharmacy. Your Committee further finds that Dr. Ma has served on the Board of Pharmacy since July 2011 and her background as a pharmacist continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Ma be reappointed to the Board of Pharmacy based on her experience, background, and dedication to serving her community.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1688 Commerce and Consumer Protection on Gov. Msg. No. 781

Recommending that the Senate advise and consent to the nomination of the following:

HAWAII MEDICAL BOARD

G.M. No. 781 PETER HOLT, MD, for a term to expire 6-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Peter Holt to possess the requisite qualifications to be nominated to the Hawaii Medical Board.

Your Committee received testimony in support of the nomination of Peter Holt from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Holt's background, experience, and dedication to serving the public qualify him for appointment to the Hawaii Medical Board as a licensee member. Your Committee notes that Dr. Holt has been a practicing physician for twenty-five years, has been licensed in Hawaii since 2011, and is a diagnostic radiologist in Honolulu. Dr. Holt currently practices telemedicine, which enables Dr. Holt to care for patients in Hawaii and throughout the country but also requires him to be licensed in each of the more than forty states in which he practices medicine. Your Committee further finds that Dr. Holt has served as an interim member of the Hawaii Medical Board since July 2014 and has a thorough understanding of the role and responsibilities of board members, and his background in telemedicine continues to bring a unique perspective to the Board. Your Committee therefore recommends that Dr. Holt be appointed to the Hawaii Medical Board based on his knowledge, experience, and desire to contribute to the community.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1689 Commerce and Consumer Protection on Gov. Msg. No. 830

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF NURSING

G.M. No. 830 KATHARYN DAUB, for a term to expire 6-30-2017

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Katharyn Daub to possess the requisite qualifications to be nominated to the State Board of Nursing.

Your Committee received testimony in support of the nomination of Katharyn Daub from the Department of Commerce and Consumer Affairs, Hawaii Association of Professional Nurses, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Daub's background, extensive experience, and commitment to her profession qualify her for appointment to the State Board of Nursing as a licensee member. Your Committee notes that Ms. Daub has been a licensed registered nurse in Hawaii since 1986 and a nursing educator since 1996. Ms. Daub is currently a Professor of Nursing and the Director of the School of Nursing at the University of Hawaii at Hilo, where she was instrumental in the development and ongoing success of the School's Doctor of Nursing Practice Program. Ms. Daub previously served as a member of the State Board of Nursing, has been an interim member of the Board since July 2014, and was recently appointed to the Board's Education Committee. Your Committee further finds that Ms. Daub's perspective as a practicing nurse and nursing educator remains an invaluable asset to the State Board of Nursing and therefore recommends that Ms. Daub be appointed to the State Board of Nursing based on her knowledge, background, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1690 Commerce and Consumer Protection on Gov. Msg. No. 875

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF NATUROPATHIC MEDICINE

G.M. No. 875 DR. KATHRYN TAKETA-WONG for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Kathryn Taketa-Wong to possess the requisite qualifications to be nominated to the Board of Naturopathic Medicine.

Your Committee received testimony in support of the nomination of Kathryn Taketa-Wong from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Taketa-Wong's background, experience, and dedication to the community qualify her for appointment to the Board of Naturopathic Medicine as a licensee member. Your Committee notes that Dr. Taketa-Wong has been licensed in Hawaii since 2011 and is a naturopathic physician and acupuncturist in her own private practice, where she focuses on autism spectrum and pediatric developmental disorders. Dr. Taketa-Wong has served on the legislative committee for the Hawaii Society of Naturopathic Physicians for the last two years and previously worked with the American Association of Naturopathic Medicine and the Oregon Association of Naturopathic Medicine on legislative issues pertaining to naturopathic medicine. Your Committee further finds that Dr. Taketa-Wong has served as an interim member of the Board of Naturopathic Medicine since July 2014, has a thorough understanding of the role and responsibilities of board members, and recommends that Dr. Taketa-Wong be appointed to the Board of Naturopathic Medicine based on her knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Kidani, Wakai).

SCRep. 1691 (Joint) Energy and Environment and Health on H.C.R. No. 205

The purpose and intent of this measure is to request that the Department of Health:

- (1) Examine existing and alleged violations in the solid waste recycling industry and fairly and equally enforce applicable laws and regulations for all companies; and
- (2) Provide a complaining or interested party with information regarding the status and results of any investigation, resulting penalty, or order for corrective action.

Your Committees received testimony in support of this measure from Schnitzer Steel. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the Department of Health is authorized to enforce laws and regulations to protect and improve the health and safety of the citizens of Hawaii and the environment. These laws and regulations are intended to regulate, among other things, the operations of companies in the solid waste recycling industry to ensure that operations are conducted in a responsible and safe manner

and do not present increased risks to the health of Hawaii's citizens or to the environment. However, there have been reports of Hawaii's solid waste recycling facilities committing numerous violations of these laws and regulations over time. An examination of all alleged violations in the solid waste recycling industry and equitable enforcement of pertinent laws and rules will ensure that a company's operations are conducted in a responsible and safe manner and discourage unlawful conduct.

Your Committees have amended this measure by inserting language regarding the importance and value of the management of waste through solid waste recycling and alternative means of waste disposal, including donation, compost, biofuel production, anaerobic digestion, and thermal combustion of organic material.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 205, as amended herein, and recommend that it be referred to the Committee on Judiciary and Labor, in the form attached hereto as H.C.R. No. 205, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Energy and Environment

Ayes, 3. Noes, none. Excused, 2 (Galuteria, Ihara).

Health

Ayes, 6. Noes, none. Excused, 1 (Riviere).

SCRep. 1692 (Majority) Government Operations on H.C.R. No. 55

The purpose and intent of this measure is to request the United States Congress and the Barack Obama Foundation to support and recommend Hawaii as the site for the Barack Obama Presidential Library and Center.

Your Committee received testimony in support of this measure from the University of Hawaii System, Hawaii Presidential Center, and one individual. Your Committee received testimony in opposition to this measure from the Kakaako Makai Community Planning Advisory Council and three individuals.

Your Committee finds that Hawaii's multiculturalism, natural beauty, and personal connection to the President make it a desirable location for the Barack Obama Presidential Library and Center. Hawaii would benefit from housing the library and center, as it would attract visitors and serve as a focus for President Obama's post-Presidential work.

Your Committee has reviewed the testimony of the Kakaako Makai Community Planning Advisory Council expressing concerns about the impacts a presidential center constructed in Kakaako would have on the community. Your Committee notes that the site for the presidential center has not been selected and will ultimately be President Obama's choice. The Hawaii Presidential Center is a nonprofit group established to work in concert with the University of Hawaii in bidding for the presidential center and maintains a website that provides the public with access to the latest information regarding Hawaii's bid to host President Obama's presidential center.

Your Committee has amended this measure by:

- (1) Adding language stating that presidential centers sponsor programs to make a better future;
- (2) Replacing language regarding President Franklin Delano Roosevelt's observations during the dedication of his presidential library with language stating that presidential centers have evolved to include archives, museum exhibitions, conference facilities, university research programs, and educational initiatives;
- (3) Replacing language regarding the function of a twenty-first century presidential library with language stating that a presidential center can be located in a single location or in more than one location;
- (4) Requesting that the Barack Obama Foundation support and recommend the establishment of a Barack Obama Presidential Center in Hawaii;
- (5) Amending the title to conform with the purpose of this measure; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 55, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 55, S.D. 1.

Signed by the Senate President on behalf of the Committee.

Ayes, 2. Noes, 1 (Slom). Excused, 2 (Nishihara, Tokuda).

SCRep. 1693 (Joint) Public Safety, Intergovernmental and Military Affairs and Ways and Means on H.C.R. No. 178

The purpose and intent of this measure is to urge the Governor to:

- (1) Develop a modernized Oahu Community Correctional Center within the Halawa Correctional Facility through a public-private partnership;
- (2) Issue a request for proposals for the private construction of the community correctional facility for the State on a turnkey basis, in conjunction with development of the modernized jail facility; and
- (3) Facilitate redevelopment of the land that is currently occupied by the Oahu Community Correctional Center to benefit the Kalihi community and the State, in conjunction with development of the modernized jail facility.

Your Committees received testimony in support of this measure from the Department of Public Safety and one individual.

Your Committees find that the Oahu Community Correctional Center has outdated security infrastructure, is overcrowded, and cannot accommodate current and projected detention needs. Upgrading the aging Oahu Community Correctional Center has the potential to be equally or more expensive than building a new facility in another location. A modernized Oahu Community Correctional Center in the vicinity of the Halawa Correctional Facility or near the Department of Agriculture's Quarantine Station in Halawa, through a public-private partnership, is a fiscally prudent way to serve the needs of the Oahu Community Correctional Center's overall inmate population and the surrounding community of Kalihi. Implementation of this measure will address the State's detention needs, benefiting the Kalihi community and the State through the generation of revenue and innovative development opportunities.

Your Committees have amended this measure by:

- (1) Inserting language to urge the Governor to develop a modernized Oahu Community Correctional Center in the vicinity of the Halawa Correctional Facility, rather than within the Halawa Correctional Facility; and
- (2) Amending the title accordingly.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental and Military Affairs and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 178, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 178, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental and Military Affairs
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Ways and Means
Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1694 Ways and Means on H.C.R. No. 185

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources, contingent upon confirmation by a survey conducted by the Department of Accounting and General Services, to issue four term, nonexclusive easements covering a portion of state submerged lands fronting the property identified as seaward of tax map keys: (2) 3-8-002:071, 074, 077, 078, and 094, Spreckelsville, Wailuku, Maui, for the use, maintenance, and repair of four existing rock groin structures.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution to lease state submerged lands.

Your Committee also finds that on September 26, 2014, under agenda item D-6, the Board of Land and Natural Resources approved the grant of four term, fifty-five-year non-exclusive easements to the following owners of lots adjacent to the groins:

- (1) The Association of Apartment Owners of Ainalani Lot 6;
- (2) David B. Lim and Jan D. Lim, Trustees of the D & J Family Trust dated August 30, 2006;
- (3) Cortland K. Larned III, Elizabeth M. Larned, and Ian Horswill; and
- (4) James C. Riley, Trustee under Declaration of Revocable Trust of James C. Riley dated November 21, 1989, Jeanne A. Riley, Trustee under Declaration of Revocable Trust of Jeanne A. Riley dated November 21, 1989, and Peter Klint Martin, Trustee of the Peter Klint Martin Revocable Trust dated April 11, 1995, as amended, for rock groin purposes;

and additionally issued an immediate construction right-of-entry to the Stable Road Beach Restoration Foundation to construct the groins. The approval of the easements requires the grantees to pay the State the fair market value of the easements, to be determined by an independent appraisal, as consideration for the use of public lands.

Your Committee further finds that the groins were installed by November 5, 2014, to replace temporary geo-tubes and provide a long-term and sustainable solution to chronic beach erosion at Stable Road Beach on Maui. The groins have already caused the beach to gain more sand, thereby increasing lateral beach access and improving opportunities for recreational activities, such as fishing, diving, windsurfing, walking, and swimming, while providing a beach habitat for endangered species.

Accordingly, as affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 185, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1695 Ways and Means on H.C.R. No. 78

The purpose and intent of this measure is to support improvements to cruise ship passenger terminals in the State.

More specifically, this measure:

- (1) Requests that the Governor and the Department of Transportation include, in the 2017-2018 Supplemental Capital Improvement Program request, improvements to cruise ship passenger terminals at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii; and
- (2) Requests that the Department of Transportation continue to collaborate with the Hawaii Tourism Authority and other state and federal entities to encourage the installation of art and award-winning designs that promote heritage tourism and original Hawaii artwork.

While the Department of Transportation has increased cruise ship passengers' debark and embark fees in recent years, your Committee finds that, except for certain improvements to Pier 2 at Honolulu Harbor, the Department has not included in its Capital Improvement Program the design and construction of cruise ship passenger facilities for each of its major commercial ports serving passenger vessels. Your Committee also finds that the Hawaii Tourism Authority is increasing its cruise industry marketing efforts and is funding a statewide vessel scheduling system for cruise line agents to have online access to reserve and schedule passenger vessels at the Department of Land and Natural Resources small boat harbors at Kona and Lahaina and the Department of Transportation Harbors Division commercial ports at Nawiliwili Harbor in Kauai, Honolulu Harbor in Oahu, Kahului Harbor in Maui, and Hilo Harbor in Hawaii. Your Committee believes that the improvements requested by this measure will assist the Department of Transportation and the Hawaii Tourism Authority to enhance the Hawaii cruise ship passenger experience.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1696 Ways and Means on H.C.R. No. 73

The purpose and intent of this measure is to authorize two term, non-exclusive easements on state submerged lands.

More specifically, the measure:

- (1) Authorizes the issuance of a term, non-exclusive easement to Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust, over a portion of state-owned land located in Lahaina, Maui, identified as tax map key number (2)4-5-003, seaward of parcel 026 (first subject property), for seawall encroachment purposes, according to the terms and conditions approved by the Board of Land and Natural Resources on August 9, 2013; and
- (2) Authorizes the issuance of a term, non-exclusive easement to the Association of Apartment Owners of Lahaina Roads over, under, and across state-owned land in Lahaina, Maui, identified as tax map key number (2)4-5-013, seaward of parcel 027, an area of approximately 2,352 square feet (second subject property), for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall, according to the terms and conditions approved by the Board of Land and Natural Resources on July 27, 2012.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for these dispositions of state submerged lands.

Your Committee also finds that on August 9, 2013, under agenda item D-10, the Board of Land and Natural Resources approved the request of Paul D. Gossman, as trustee of the Paul D. Gossman Residence Trust, for a term, non-exclusive easement over the first subject property for seawall encroachment purposes. The easement term is for fifty-five years in consideration for a one-time payment to be determined by independent appraisal establishing a fair market rent, subject to review and approval by the Chairperson of the Board of Land and Natural Resources.

Your Committee further finds that on July 27, 2012, under agenda item D-3, the Board of Land and Natural Resources approved the request of the Association of Apartment Owners of Lahaina Roads for a term, non-exclusive easement over the second subject property for the right, privilege, and authority to use, maintain, repair, and replace an existing seawall.

Your Committee notes that the authorizations under this measure are subject to confirmation by survey of the Department of Accounting and General Services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 73, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1697 Ways and Means on H.C.R. No. 212

The purpose and intent of this measure is to better enable Hawaii's small farmers to maintain viable farm operations.

Specifically, the measure requests the United States Food and Drug Administration, the Department of Agriculture, and the Department of Hawaiian Home Lands to participate in meaningful consultation with Hawaii small scale farmers, Hawaii small scale producers, and affected parties for the purpose of providing financial relief to offset the costs associated with the implementation of the federal Food Safety Modernization Act.

Your Committee received testimony in support of this measure from the Department of Agriculture and the Hawaii Farm Bureau.

Your Committee finds that in January 2013, the Food and Drug Administration published Produce Safety and Preventive Control Rules to implement the Food Safety Modernization Act, in addition to six proposed rules under the Food Safety Modernization Act. Your Committee further finds that many Hawaii small scale farmers are particularly vulnerable to costs associated with conforming to the standards outlined in the Food Safety Modernization Act. Your Committee believes that meaningful consultation between federal and state agencies and Hawaii's small scale farmers, as requested by this measure, will help address the unique financial burdens borne by local farmers.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 212, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1698 Ways and Means on H.C.R. No. 182

The purpose and intent of this measure is to request the Department of Transportation to conduct a traffic study and make recommendations to alleviate traffic congestion on Kahekili Highway from the Likelike Highway intersection to Kamehameha Highway.

Your Committee finds that heavy traffic congestion creates safety hazards for motorists and avoidable impairments to residents' quality of life. These include an increased risk for accidents, longer emergency service response times, larger quantities of vehicle exhaust being released into the environment, and the loss of valuable time to motorists. Your Committee also finds that windward Oahu residents have long expressed concerns about the levels of traffic congestion on Kahekili Highway. Your Committee believes that, by conducting a traffic study on Kahekili Highway, the Department of Transportation will be able to make recommendations to alleviate the heavy traffic congestion on Kahekili Highway, and thus lessen the occurrence of the undesirable situations attributed to traffic congestion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 182, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1699 Ways and Means on H.C.R. No. 34

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key Number (1)4-1-002:007, Waimanalo, Koolauapoko, Oahu, for the use, maintenance, and repair of a seawall and steps.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution to lease state submerged lands.

Your Committee also finds that the seawall at issue was constructed prior to the establishment of the Conservation District in 1964. The seawall appears to have been constructed during the 1930s, as supported by Map 1 of Land Court Application 977 and a letter dated January 23, 1931, by the Chairperson of the Board of Harbor Commissioners, approving a request by the owner's predecessor-in-interest to construct a concrete facing to the present seawall.

Your Committee further finds that on November 14, 2014, under agenda item D-21, the Board of Land and Natural Resources approved a grant of a fifty-five-year non-exclusive easement to resolve the encroachments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1700 Ways and Means on H.C.R. No. 29

The purpose and intent of this measure is to address noise pollution emanating from the H-1 freeway and the lack of parks in the downtown area of Honolulu.

More specifically, this measure requests the Department of Accounting and General Services, in consultation with the Department of Transportation, to determine the cost of placing an overpass over the H-1 freeway, to extend from Nuuanu Stream to Queen Emma Street, that would reduce traffic noise pollution and provide space that could be used as a community park or other community resource.

Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from the Department of Accounting and General Services.

Your Committee finds that the H-1 freeway is the most utilized freeway in the State and that, during all hours of each day, many residents who live near the H-1 freeway are subjected to excessive traffic noise pollution emanating from passing cars. Your Committee also finds that constructing an overpass with sufficient structural capacity to support open green space, such as a park, would provide a dual benefit of reducing traffic noise pollution from the H-1 freeway and creating additional park space in the downtown area of Honolulu.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 29, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Dela Cruz, Galuteria, Kouchi).

SCRep. 1701 Agriculture on Gov. Msg. No. 718

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF AGRICULTURE

G.M. No. 718 SIMON RUSSELL, for a term to expire 6-30-2016

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Simon Russell to possess the requisite qualifications to be nominated to the Board of Agriculture.

Your Committee received testimony in support of the nomination of Simon Russell from the Department of Agriculture; Hawaii Farmers Union United; Hawaii Farmers Union United, Kohala Chapter; Hawaii Farmers Union United, Kona Chapter; Maui Farmers Union United; Hawaii Cattlemen's Council; Tea Hawaii & Company; Kupa'a Farms; Ilio Lani Farm, LLC; Kulahaven Farms; Ka'u Specialty LLC; Haiku Aina Permaculture Initiative; The Trust for Public Land; Lualualei Hawaiian Civic Club; Ulupono Initiative; and ninety-two individuals.

Mr. Russell is the owner of Hui 'O Mālama 'Āina in Makawao, Hawaii, a business that promotes commercial, organic, and sustainable agriculture and agricultural tourism operations. Mr. Russell previously worked as Chief Engineer for Atlantis Cyberspace Inc., where he supervised shipping and receiving of electronics hardware, built prototypes, and beta tested hardware for the dismantled warfare training of the United States National Guard and Marines. Currently, Mr. Russell serves as the State Vice President and Legislative Chairman of the Hawaii Farmers Union United.

Mr. Russell indicated in his personal statement that he believes the Board of Agriculture can enable Hawaii to lead the way in developing new agricultural technologies, methods, and innovations.

Upon review of the testimony, your Committee finds that Mr. Russell's background, experience, and dedication to public service qualify him for appointment to the Board of Agriculture as a representative of the County of Maui.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

SCRep. 1702 Agriculture on Gov. Msg. Nos. 719, 720, 721, 722, and 723

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE AGRIBUSINESS DEVELOPMENT CORPORATION

G.M. No. 719 DENISE ALBANO, for a term to expire 6-30-2016;

G.M. No. 720 LLOYD HARAGUCHI, for a term to expire 6-30-2015;

G.M. No. 721 LLOYD HARAGUCHI, for a term to expire 6-30-2019;

G.M. No. 722 MARGARITA HOPKINS, for a term to expire 6-30-2018; and

G.M. No. 723 YUKIO KITAGAWA, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Denise Albano, Lloyd Haraguchi, Margarita Hopkins, and Yukio Kitagawa to possess the requisite qualifications to be nominated to the Board of Directors of the Agribusiness Development Corporation (ADC).

DENISE ALBANO

Your Committee received testimony in support of the nomination of Denise Albano from the Department of Agriculture; Agribusiness Development Corporation; Ulupono Initiative; Hawaii Friends of Civil Rights; Hawaiian Electric Industries, Inc.; Shinsato Farm; Kako'o 'Ōiwi; Waimanalo Market Co-op; Hydroponics Alternatives LLC; Feed the Hunger Foundation; and ten individuals.

Ms. Albano is the President and Co-Founder of the Feed the Hunger Foundation and its Hawaii program, Food for Thought, which work to address food security in Hawaii by providing loans and grants to microfinance businesses and organizations that provide and distribute local food and produce. She previously worked as the Campaign Manager for The Nature Conservancy Hawaii and spent several years working in social services for youth, including the YMCA, Project YES/Youth Uprising, San Francisco Children and Families Commission, and Larkin Street Youth Services.

Ms. Albano indicated in her testimony that she believes Hawaii needs more farmers on agricultural lands and that it is necessary for the State to establish food hubs that include transportation and packing and distribution centers to create a network that will assist small farmers to better supply agricultural products to consumers.

Your Committee finds that Ms. Albano's past experiences with microfinance, Hawaii's local food system, and social services qualify her for appointment to the Board of Directors of the ADC as a representative of the City and County of Honolulu.

LLOYD HARAGUCHI

Your Committee received testimony in support of the nomination of Lloyd Haraguchi from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Cattlemen's Council, Hawaii Laborers-Employers Cooperation and Education Trust, and two individuals. Your Committee received testimony in opposition from Farm Lovers Farmers Markets and seventeen individuals.

Mr. Haraguchi is the former Executive Director of the Public Land Development Corporation. He has previously worked for James Campbell Company, LLC, managing Hawaii Land Management assets consisting of agricultural land, water systems, telecom sites, and other zoned property; Fort Street Investment Corporation managing commercial retail and office properties on Oahu; the Estate of James Campbell managing, planning, and negotiating the permitting for land development projects in Kapolei and Kahuku; and the Hawaii Housing Finance and Development Corporation planning and overseeing the development of affordable housing projects on Oahu and Hawaii.

Mr. Haraguchi indicated in his testimony that he believes all agriculture needs to be nurtured, regardless of the size of the operation, and that he believes Hawaii's farmers need to be given adequate resources.

Your Committee finds that Mr. Haraguchi's past experiences with property and land management qualify him for appointment and reappointment to the Board of Directors of the ADC as an at-large member.

MARGARITA HOPKINS

Your Committee received testimony in support of the nomination of Margarita Hopkins from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Cattlemen's Council, Hawaii Export Nursery Association, Big Island Association of Nurserymen, Hawaii Crop Improvement Association, and eight individuals.

Ms. Hopkins recently worked as the Agriculture Disaster Assistance Coordinator assisting recovery efforts for the agriculture industry negatively affected by Hurricane Iselle. She previously worked for the County of Hawaii Department of Research and Development preparing and updating the county agricultural development plan. Ms. Hopkins serves on numerous community boards and councils including the Language Access Advisory Council, Pacific West Area Institutional Biosafety Committee, and Big Island Resource Conservation & Development Council.

Ms. Hopkins indicated in her personal statement that she has focused her career on assisting all types of farmers, with particular emphasis on small-scale farms. She also indicated that she believes the ADC has the opportunity and responsibility to be an integral part of developing an agricultural industry that provides food and supports Hawaii's economy.

Your Committee finds that Ms. Hopkins's past experiences in agricultural development and as an agricultural economist qualify her for appointment to the Board of Directors of the ADC as a representative of Hawaii County.

YUKIO KITAGAWA

Your Committee received testimony in support of the nomination of Yukio Kitagawa from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Cattlemen's Council, Hawaii Farm Bureau, and four individuals.

Mr. Kitagawa formerly served as the Chairperson of the Board of Agriculture from 1988 through 1994. He also previously served as Assistant Director of the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service and as Deputy Chairperson of the Board of Agriculture. Mr. Kitagawa currently serves on a number of community boards including the Hawaii Marketing Alliance, Wahiawa Hongwanji, C & C Agriculture Development Task Force, and Hawaii Agriculture Resource Center. He served as a member of the ADC Board of Directors from 1999 to 2002.

Mr. Kitagawa indicated in his testimony that he believes the ADC should look at all types of agriculture, work with other departments, and encourage a dairy and increased food production on Oahu.

Your Committee finds that Mr. Kitagawa's past experiences with agriculture and public service qualify him for appointment to the Board of Directors of the ADC as an at-large member.

As affirmed by the records of votes of the members of your Committee on Agriculture that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

For Gov. Msg. Nos. 719, 720, and 721:

Ayes, 6. Noes, none. Excused, 1 (Taniguchi).

For Gov. Msg. Nos. 722 and 723:

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 1703 Judiciary and Labor on Gov. Msg. No. 844

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

G.M. No. 844 LINDA CHU TAKAYAMA, for a term to expire 12-3-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Linda Chu Takayama to possess the requisite qualifications to be nominated as the Director of Labor and Industrial Relations.

Your Committee received testimony in support of the nomination of Ms. Chu Takayama from the Governor; Department of Accounting and General Services; Department of Transportation; Department of Budget and Finance; Department of Labor and Industrial Relations; Department of Human Services; Agribusiness Development Corporation; Automated HealthCare Solutions; Chamber of Commerce Hawaii; International Longshore and Warehouse Union, Local 142; Filipino American Citizens League; Filipino Coalition for Solidarity; General Contractors Association of Hawaii; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Medical Service Association; Hawaii Regional Council of Carpenters; Oahu Filipino Community Council; The Filipino Community Center, Inc.; Nursing Advocates & Mentors, Inc.; United Public Workers, ASFCME Local 646, AFL-CIO; Hawaii Insurers Council; Hawaii Friends of Civil Rights; United Filipino Council of Hawaii; and thirty-four individuals. Your Committee received comments from one individual.

Ms. Chu Takayama received her Bachelor of Arts degree in Journalism from the University of Hawaii at Manoa and her Doctorate of Jurisprudence from the George Mason University School of Law. She currently serves as the Executive Director of the Mayor's Office of Economic Development for the City and County of Honolulu where, in addition to business and economic issues, she has oversight of international affairs, including thirty-one sister cities worldwide, agricultural matters, and the City and County of

Honolulu's Film Office. She also maintains a law practice specializing in regulatory and governmental affairs, health insurance, and corporate business law.

Ms. Chu Takayama previously served as the Deputy Director of the Department of Commerce and Consumer Affairs as well as the Insurance Commissioner for the Department. During her tenure as the Insurance Commissioner, she developed programs to stabilize and expand the property insurance market during the highly volatile period following Hurricane Iniki, including the establishment of the Hawaii Hurricane Relief Fund, a \$1.5 billion pool for hurricane insurance. She also served as a member of the Governor's Subcabinet Task Force on Healthcare Reform and chaired the Governor's Task Force on Workers' Compensation Reform. She also has previous experience in Washington, D.C., by serving as Chief of Staff to the United States Senate Sergeant-at-Arms, and as the Director of State Legislative Affairs and Agricultural Issues for the Grocery Manufacturers of America, Inc.

Ms. Chu Takayama is an active participant in her community. She currently serves as the Chairperson of the Hawaii Foodbank, which was named the number one charity in Hawaii. She also serves on the Board of Directors of the Hawaii Health Information Corporation and Zephyr Insurance Company. She previously served on the Board of Directors of the Federal Home Loan Bank of Seattle and on the Board of Governors of the East-West Center. She is a Founder and Coordinator of Ready to Learn, a nonprofit program providing school supplies to 25,000 needy children in Hawaii and is a Founder and Treasurer of the Hawaii 3R's program, which provides repair and maintenance on Hawaii public schools.

Testifiers in support of the nominee indicate that Ms. Chu Takayama's experience and background as an attorney, in state government, and as Chairperson of the Hawaii Foodbank will serve her well as the Director of Labor and Industrial Relations. First, as an attorney, she is able to work seamlessly between the public and private sectors, and labor and management by understanding the need to find a balance between the various positions and within the confines of the law. Second, her experience in city, state, and federal government provides her with knowledge of how government works and how to achieve meaningful and effective results. Lastly, as Chairperson of the Hawaii Foodbank for the past twenty years, she has developed a working knowledge of and relationship with the Department of Labor and Industrial Relations through working with the Department's Office of Community Services, which administers programs that provide services to the needy, including the distribution of food commodities under The Emergency Food Assistance Program (TEFAP) under the United States Department of Agriculture and the Senior Farmers' Market Nutrition Program, which distributes Hawaii-grown produce to low-income seniors.

Your Committee finds that Ms. Chu Takayama's extensive background and experience in regulatory and government affairs coupled with her leadership and collaborative solution-oriented approach to problem solving provide the foundation and skillsets necessary to effectively serve as the Director of Labor and Industrial Relations.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 1704 (Majority) Water and Land on Gov. Msg. No. 820

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION ON WATER RESOURCE MANAGEMENT

G.M. No. 820 WILLIAM BALFOUR, JR., for a term to expire 6-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds William Balfour, Jr., to possess the requisite qualifications to be nominated to the Commission on Water Resource Management.

Your Committee received testimony in support of William Balfour, Jr., from the Department of Land and Natural Resources; Department Of Agriculture; Hawaii Cattlemens Council; Hawaii Crop Improvement Association; Hawaii Farm Bureau; Hawaii LECET; Big Island Toyota; Building Industry Association Of Hawaii; Laiopua 2020; Hawaii Agricultural Partnerships; Hawaii Leeward Planning Conference; Cyanotech Corporation; ILWU Local 142; Hawaii Operating Engineers Industry Stabilization Fund; Larry Jeffs Farms LLC; Hawaii Fish Company; Rosehill & Associates; Hunt Development Group; Hawaii Forest Industry Association; Hawaii Hunting Association; Maui County Farm Bureau; Chamber of Commerce Hawaii; Hawaii Agricultural Research Foundation; Land Use Research Foundation of Hawaii; and eighteen individuals.

Your Committee received testimony in opposition to William Balfour, Jr., from the Native Hawaiian Legal Corporation; Waihuena Farm; GMO Free Maui; Hoomana Pono LLC; Na Moku Aupuni O Koolau Hui; Hawaii's Thousands Friends; University Of Hawaii Biology Alumni Association; Haiku Aina Permaculture Initiative; Roth Ecological Design Int; Hui Hoomalu I Ka Aina; Conservation Council for Hawaii; The Outdoor Circle; National Parks Conservation Association; Hookipa Network - Kauai; Sierra Club; Surfrider Foundation; International Ecological Safety Organization; numerous individuals; and a petition signed by nearly 3,500 individuals. Your Committee also received comments from the Office of Hawaiian Affairs and three individuals.

William Balfour, Jr., received a Bachelor of Science degree in General Agriculture from the University of Missouri. His experience in water resource management includes working for Lihue Plantation Company as Irrigation Division Overseer and Irrigation Superintendent, East Kauai Irrigation System as President and General Manager, and Waiahole Irrigation System as President and General Manager.

Mr. Balfour served as an Interim Commissioner starting in August 2009. He was subsequently nominated and confirmed to serve a full four-year term from July 2010 to June 2014.

In addition to his corporate work experience, Mr. Balfour brings to the Commission a small business perspective, having served for two years as President of Aloha Farms, a start-up 320-acre banana farm operation. His impressive work history also includes public

service as the City and County of Honolulu's Director of the Department of Parks and Recreation for eight years, including the botanical gardens, and Civil Defense Administrator for two years.

Your Committee believes that Mr. Balfour's work history meets the statutory qualifications to serve on the Commission on Water Resource Management, in view of his forty-seven-year work history encompassing water systems management on Oahu, Kauai, and Maui.

Mr. Balfour emphasized in oral testimony that he listens closely to all testimony, is aware of the importance of water, seeks to conserve water, believes in protecting watersheds which funnel water to aquifers, is concerned about invasive plant species which threaten the proper functioning of watersheds, and most importantly believes in preserving the sustainable yield of fresh water. He supports providing one hundred percent of the water needed for small farms and taro farming. He is against total diversion of stream water, which results in one area getting far less water than another.

Your Committee wishes to address the testimony in opposition to Mr. Balfour. The opposition cited three decisions of the Commission on Water Resource Management made while Mr. Balfour was a Commissioner. Two of the decisions were recommended by the staff of the Commission, were approved by the Department of the Attorney General, and received near-unanimous votes of the Commissioners. However, those two decisions were appealed through the courts, which overturned those decisions. The third decision involved a continuation, rather than a denial, of a petition to designate a certain area as a water management area and involved procedural technicalities. While Mr. Balfour voted against the extension, the official record reflects that the failure to extend the deadline would have no prejudice against the petitioner's right to continue to pursue their claim. The proceedings were postponed for one year to give the petitioner more time to provide data. The case has continued for two or more years, with a deadline at the end of May 2015 for the petitioner to furnish the data.

In response to questions regarding the Court instructions when remanding the two water cases back to the Commission, Mr. Balfour made a personal commitment to honor in all future cases the public trust doctrine established by the Hawaii Supreme Court as it applies to water resources under article XI, section 7, of the Hawaii State Constitution and the hierarchy of water rights as outlined in the State Water Code, as described by the Courts. Specifically, Mr. Balfour committed to honoring the four priority uses of state water resources: traditional and customary rights; the natural resources within the streams and near shore waters; reservations for the Department of Hawaiian Home Lands; and domestic uses. The nominee understood that commercial, industrial, and agricultural uses of water may only be discussed if there is sufficient water to meet the four public trust purposes of water uses, and if there is not waste or alternative water sources available.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Shimabukuro). Noes, 2 (Riviere, Ruderman). Excused, none.

SCRep. 1705 Higher Education and the Arts on Gov. Msg. Nos. 634 and 635

Recommending that the Senate advise and consent to the nominations of the following:

CENTER FOR NURSING ADVISORY BOARD

G.M. No. 634 ELIZABETH HOBAN, for a term to expire 6-30-2018; and

G.M. No. 635 SUSAN LEE, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Elizabeth Hoban and Susan Lee to possess the requisite qualifications to be nominated to the Center for Nursing Advisory Board.

ELIZABETH HOBAN

Your Committee received testimony in support of the nomination of Elizabeth Hoban from one individual.

Upon review of the testimony, your Committee finds that Ms. Hoban serves as the Founder and President of Prime Care Services Hawaii. She has previously served as a staff nurse and educator with The Queen's Medical Center and Christ Medical Center. Ms. Hoban is active on community commissions and task forces, including serving as a board member with the Pali Momi Medical Center and the University of Hawaii at Manoa Nursing Advisory Council. As a current member of the Center for Nursing Advisory Board, Ms. Hoban has provided considerable knowledge relating to home and primary care and supports the dialogue across the spectrum of care.

Your Committee therefore recommends Ms. Hoban be re-appointed to the Center for Nursing Advisory Board based on her extensive experience, knowledge, and dedication to public service.

SUSAN LEE

Your Committee received testimony in support of the nomination of Susan Lee from one individual.

Upon review of the testimony, your Committee finds that Ms. Lee has served as a registered professional nurse and Director of the Oahu Region Employee Health Office with Leahi Hospital for over ten years. She has previously served as the Oahu Region Coordinator of the Rural Development Fund Grant with Hawaii Health Systems Corporation and has almost thirty-eight years of experience as a nurse. Ms. Lee is also an active member on community commissions and task forces, including serving with the Community Service Committee with the Wound Ostomy Continence Nurses Hawaii Affiliate and the Department of Health Office of Health Care Assurance. Ms. Lee additionally serves as an instructor for a facility-based Compassionate Caring and Continuous Quality Improvement Program. Ms. Lee's advocacy for her nursing colleagues and the patient population continues to make her an asset to the Center for Nursing Advisory Board.

Your Committee therefore recommends Ms. Lee be re-appointed to the Center for Nursing Advisory Board based on her extensive experience, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Higher Education and the Arts that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 1706 Higher Education and the Arts on Gov. Msg. Nos. 762, 763, 764, 765, and 766

Recommending that the Senate advise and consent to the nominations of the following:

STATE FOUNDATION ON CULTURE AND THE ARTS

G.M. No. 762 DEAN SAKAMOTO, for a term to expire 6-30-2018;

G.M. No. 763 JANE CLEMENT, for a term to expire 6-30-2018;

G.M. No. 764 KAREN POLIVKA, for a term to expire 6-30-2018;

G.M. No. 765 NOELLE KAHANU, for a term to expire 6-30-2018; and

G.M. No. 766 PATRICIA HAMAMOTO, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Dean Sakamoto, Jane Clement, Karen Polivka, Noelle Kahanu, and Patricia Hamamoto to possess the requisite qualifications to be nominated to the State Foundation on Culture and the Arts.

DEAN SAKAMOTO

Your Committee received testimony in support of the nomination of Dean Sakamoto from the Department of Accounting and General Services and one individual.

Upon review of the testimony, your Committee finds that Mr. Sakamoto serves as the principal architect for Dean Sakamoto Architects LLC. He has previously served as Exhibition Specialist with the State Foundation on Culture and the Arts and as the Resilience Specialist with the Pacific International Center for High Technology Research. He also serves on the AIA National Committee on Disaster Assistance and is the Founder and President of Docomomo United States Hawaii Chapter. Mr. Sakamoto has earned numerous awards for his work and has given lectures, panel discussions, and presentations around the world. His broad professional experience will serve him well as a member of the State Foundation on Culture and the Arts.

Your Committee therefore recommends Mr. Sakamoto be appointed to the State Foundation on Culture and the Arts based on his extensive experience, knowledge, and dedication to public service.

JANE CLEMENT

Your Committee received testimony in support of the nomination of Jane Clement from the Department of Accounting and General Services, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Clement serves as co-owner of Deep Steam Carpet Cleaners and as a legislative assistant to Hawaii County Councilman Dru Kanuha. She additionally serves as the President of COVO Foundation, Inc., and the President of Kona Visayan Club. She is an active member of her community, including serving as an Outreach Coordinator for The Philippine Consulate in Hawaii, hosting the television show "Truly Pinoy", writing a column for the Fil-Am Courier, and serving as an advisory board member for the Hawaii-Philippines Business and Economic Council. As an interim member of the State Foundation on Culture and the Arts, Ms. Clement brings her professional experience as a business owner and public servant to the Foundation.

Your Committee therefore recommends Ms. Clement be appointed to the State Foundation on Culture and the Arts based on her extensive experience, knowledge, and dedication to public service.

KAREN POLIVKA

Your Committee received testimony in support of the nomination of Karen Polivka from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and one individual.

Upon review of the testimony, your Committee finds that Ms. Polivka served as the Executive Director of the Hawaii Opera Theatre for almost ten years. She has previously acted as the Managing Director for the Music-Theatre Group in New York and the General Director of the Opera Festival of New Jersey. Ms. Polivka is an active member in her community, including serving as a grant writer for the St. Andrew's School and a Director and Committee Member with the Governor's Women's Leadership Conference. She has also served as a national board member with the Joyful Heart Foundation. Her commitment to the arts community and strong leadership skills make Ms. Polivka an asset to the State Foundation on Culture and the Arts.

Your Committee therefore recommends Ms. Polivka be appointed to the State Foundation on Culture and the Arts based on her extensive experience, knowledge, and dedication to public service.

NOELLE KAHANU

Your Committee received testimony in support of the nomination of Noelle Kahanu from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and seven individuals.

Upon review of the testimony, your Committee finds that Ms. Kahanu serves as an Assistant Specialist with the Public Humanities and Native Hawaiian Programs of the University of Hawaii American Studies Department. She has previously served as the Director of Community Affairs and as a Project Manager with Bishop Museum. She is active on community commissions and task forces, including serving as the co-chair of the Maoli Arts Month. She has also served as a board member with several organizations, including the Hawaii Academy of Performing Arts, Hawaii Council for the Humanities, Hale Ku'ai Cooperative, and the Legal Aid Society of Hawaii. Ms. Kahanu's varied professional experience and background will provide her with the necessary skills to be a member of the State Foundation on Culture and the Arts.

Your Committee therefore recommends Ms. Kahanu be appointed to the State Foundation on Culture and the Arts based on her extensive experience, knowledge, and dedication to public service.

PATRICIA HAMAMOTO

Your Committee received testimony in support of the nomination of Patricia Hamamoto from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and one individual.

Upon review of the testimony, your Committee finds that, prior to retirement, Ms. Hamamoto served as Principal of St. Louis School. She has previously served as Superintendent and as Interim Superintendent of the Department of Education. She has also served in a number of educational organizations, including serving with the Council of Chief State School Officers, Hawaii Teacher Standards Board, Pacific Resources for Education and Learning, Teacher Education Coordinating Committee, University of Hawaii College of Education Advisory Council, and Association for Supervision and Curriculum Development. Ms. Hamamoto's leadership experience and educational background will serve her well as a member of the State Foundation on Culture and the Arts.

Your Committee therefore recommends Ms. Hamamoto be appointed to the State Foundation on Culture and the Arts based on her extensive experience, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Higher Education and the Arts that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 1707 Higher Education and the Arts on Gov. Msg. Nos. 809 and 810

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII COMMISSION FOR NATIONAL AND COMMUNITY SERVICE

G.M. No. 809 KAI DUPONTE, for a term to expire 6-30-2016; and

G.M. No. 810 RONALDO MATA, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Kai Duponte and Ronaldo Mata to possess the requisite qualifications to be nominated to the Hawaii Commission for National and Community Service.

KAI DUPONTE

Your Committee received testimony in support of the nomination of Kai Duponte from three individuals.

Upon review of the testimony, your Committee finds that Ms. Duponte has served as a Practicum Coordinator for the University of Hawaii Myron B. Thompson School of Social Work. She has also previously served as a Residential Services Division Administrator with Catholic Charities Family Services. Ms. Duponte has been an active member of her community, volunteering her time with Aloha United Way, Multiple Sclerosis Society, Hospice Hawaii, President of a condominium board, and the Project Kealahou Governing Council. She has also contributed her services as an Adjunct Faculty with the University of Hawaii School of Social Work and served on the Commission on the Status of Women (Maui Council). Ms. Duponte's vast volunteer experience will make her an asset to the Hawaii Commission for National and Community Service. Your Committee therefore recommends Ms. Duponte be appointed to the Hawaii Commission for National and Community Service based on her extensive experience, knowledge, and dedication to volunteerism.

RONALDO MATA

Your Committee received testimony in support of the nomination of Ronaldo Mata from one individual.

Upon review of the testimony, your Committee finds that prior to retirement, Mr. Mata served as the Program Director for the Foster Grandparent Program in the Department of Human Services. He has also served with the United States Navy and the Federal Aviation Administration. Mr. Mata has been an active member of the community, serving as a member of the Pearl City Neighborhood Board, as President of the Momilani Community Association, and as a member of the Oahu Metropolitan Planning Organization. Mr. Mata's experience in the human services arena will serve him well as a member of the Hawaii Commission for National and Community Service. Your Committee therefore recommends that Mr. Mata be appointed to the Hawaii Commission for National and Community Service based on his experience, background, and commitment to volunteerism.

As affirmed by the records of votes of the members of your Committee on Higher Education and the Arts that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 1708 Higher Education and the Arts on Gov. Msg. Nos. 811 and 812

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII HISTORIC PLACES REVIEW BOARD

G.M. No. 811 MATT MCDERMOTT, for a term to expire 6-30-2018; and

G.M. No. 812 ZACHARY I. BANTOLINA, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Matt McDermott and Zachary I. Bantolina to possess the requisite qualifications to be nominated to the Hawaii Historic Places Review Board.

MATT MCDERMOTT

Your Committee received testimony in support of the nomination of Matt McDermott from the Department of Land and Natural Resources and forty-three individuals.

Upon review of the testimony, your Committee finds that Mr. McDermott is a Projects Manager with Cultural Surveys Hawaii, Inc. He has previously served as a Project Director with EcoPlan Associates, Inc. Your Committee further finds that Mr. McDermott has a number of years of experience in cultural resource management, including facilitating historic preservation consultation between various private clients, federal agencies, Native Hawaiian organizations, and state agencies. He has also worked with private landowners and land developers, as well as State Historic Preservation Division personnel and the Office of Hawaiian Affairs.

Your Committee finds that Mr. McDermott's wide range of professional and academic experiences, as well as his environmental protection background, will serve him well as a member of the Hawaii Historic Places Review Board. Your Committee therefore recommends Mr. McDermott be appointed to the Hawaii Historic Places Review Board based on his extensive experience, knowledge, and dedication to environmentalism and public service.

ZACHARY I. BANTOLINA

Your Committee received testimony in support of the nomination of Zachary I. Bantolina from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Dr. Bantolina is a Hawaiian Language and Cultural Specialist with the Honolulu Authority for Rapid Transportation. He has previously served as a Hawaiian Cultural Specialist with Minatoishi Architects. Dr. Bantolina earned his Doctor of Architecture from the University of Hawaii at Manoa and his Bachelor of Arts in Hawaiian Studies and Hawaiian Language from the University of Hawaii at Hilo. He also has years of experience as a cultural practitioner, serving as a chanter with the Mayor's Office on Culture and Arts and with the University of Hawaii System, as well as serving as a Lecturer of Hawaiian Culture and Dance at Victoria University of Wellington in New Zealand. Dr. Bantolina has also served as a School Representative and Cultural Consultant with the University of Hawaii at Manoa School of Architecture.

Your Committee finds that Dr. Bantolina's experience as an architect and practitioner of the Hawaiian culture will serve him well as a member of the Hawaii Historic Places Review Board.

Your Committee therefore recommends Dr. Bantolina be appointed to the Hawaii Historic Places Review Board based on his extensive experience, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Higher Education and the Arts that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kidani).

SCRep. 1709 Human Services and Housing on Gov. Msg. Nos. 876, 877, 878, 879, 880, 881, 882, and 883

Recommending that the Senate advise and consent to the nominations of the following:

STATE REHABILITATION COUNCIL

G.M. No. 876 GEORGE MASSENGALE for a term to expire 06-30-2016;

G.M. No. 877 GWEN KELIIHOOMALU for a term to expire 06-30-2017;

G.M. No. 878 MARK TRAVALINO for a term to expire 06-30-2016;

G.M. No. 879 MICHELE KU for a term to expire 06-30-2018;

G.M. No. 880 RENE BERTHIAUME for a term to expire 06-30-2018;

G.M. No. 881 RODERICK MACDONALD for a term to expire 06-30-2016;

G.M. No. 882 LANELLE YAMANE for a term to expire 06-30-2016; and

G.M. No. 883 KRISTINE TAKEKAWA for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds George Massengale, Gwen Kelihoomalulu, Mark Travalino, Michele Ku, Rene Berthiaume, Roderick MacDonald, Lanelle Yamane, and Kristine Takekawa to possess the requisite qualifications to be nominated to the State Rehabilitation Council.

GEORGE MASSENGALE

Your Committee received testimony in support of George Massengale from the Department of Human Services and three individuals.

Upon review of the testimony, your Committee finds that Mr. Massengale's background as a health advocate and advocate for individuals with disabilities qualify him to serve on the State Rehabilitation Council. Mr. Massengale was introduced to vocational rehabilitation early in his career, working first at Lanakila Crafts and later at Goodwill Industries as an Operation Director. He eventually moved into private sector rehabilitation as a Disability Manager, providing vocational counseling, job placement and development, workplace accessibility consulting, and vocational and psychological evaluations. Your Committee further finds that Mr. Massengale became a health advocate later in his career, working for many years with the American Cancer Society as Policy and Advocacy Director for the Coalition for a Tobacco-Free Hawaii and as Legislative and Government Relations Director. Your Committee notes that in addition to devoting his career to helping improve the lives of individuals with disabilities, the mentally ill, and the elderly, Mr. Massengale is active in the community as a member of the American Cancer Society, Hawaii Public Health Association, and Hawaii Audubon Society. In his personal statement, Mr. Massengale notes the exciting changes ahead as Hawaii works to meet the mandate of the federal Workforce Innovation and Opportunity Act of 2014, which requires state vocational rehabilitation agencies to work with schools to provide transition services to all students with disabilities.

GWEN KELIHOOMALU

Your Committee received testimony in support of Gwen Kelihoomalulu from the Department of Human Services.

Upon review of the testimony, your Committee finds that Ms. Kelihoomalulu's extensive background as a rehabilitation and vocational counselor qualifies her to serve on the State Rehabilitation Council. Ms. Kelihoomalulu has worked with individuals with disabilities for over forty years, twenty-five of which have been in the field of vocational rehabilitation. Through this experience, she has developed expertise working with many types of disabilities including orthopedic, spinal cord injuries and amputees, psychiatric, alcohol and drug disorders, visual impairments, and neurological disorders. Your Committee notes that Ms. Kelihoomalulu is a licensed Mental Health Counselor, Certified Rehabilitation Counselor, Registered Vocational Rehabilitation Specialist, and a certified Marriage, Family, and Child Counselor. She is also an approved vocational expert for the Social Security Administration, and qualified to conduct rehabilitation feasibility evaluations, vocational testing, veteran assessments, and wage loss analysis. Your Committee finds that Ms. Kelihoomalulu is a committed advocate for individuals with disabilities and she expressed in her personal statement the desire to establish more meaningful vocational rehabilitation services in Hawaii.

MARK TRAVALINO

Your Committee received testimony in support of Mark Travalino from the Department of Human Services and one individual.

Upon review of the testimony, your Committee finds that Mr. Travalino's experience in the labor industry qualifies him to serve on the State Rehabilitation Council. Mr. Travalino has been a Field Representative with Local 368 of the Laborer's International Union of North America for over twenty-five years. In this capacity, Mr. Travalino addresses work related injuries and the vocational rehabilitation needs of union members in the normal course of business. Your Committee notes that Mr. Travalino's participation on the State Rehabilitation Council will provide valuable insight into the needs of business and labor, as he represents how the union members experience the vocational rehabilitation process when attempting to return to work. Mr. Travalino indicated in his personal statement the importance of individuals needing to become gainfully employed, and the difficulty and mental stress workers experience when they attempt to re-enter the workforce after an accident.

MICHELE KU

Your Committee received testimony in support of Michele Ku from the Department of Human Services and four individuals.

Upon review of the testimony, your Committee finds that Ms. Ku's experience running an organization that employs persons with disabilities and her demonstrated commitment to advocacy qualify her to serve on the State Rehabilitation Council. Ms. Ku has worked for the Arc of Kona for ten years, first as the Director of Program Services and currently as the President and Chief Executive Officer. In her personal statement, Ms. Ku expressed her passion for making a lasting difference in the lives of individuals with disabilities. Your Committee notes that Ms. Ku has extensive experience working with individuals who experience barriers to employment, and that she is also a committed public servant with proven leadership skills. Ms. Ku serves on the Board of Directors of the Hamakua-Kohala Health Center and the Community Advisory Board of the North Hawaii Community Hospital. Ms. Ku's community involvement is also demonstrated by her participation with the Rotary Club of Kona Sunrise, Kona-Kohala Chamber of Commerce, Business Leadership Network, and Hawaii Island Women's Leadership Forum. Your Committee finds that Ms. Ku's visionary leadership and collaborative approach to problem solving will benefit the State Rehabilitation Council.

RENE BERTHIAUME

Your Committee received testimony in support of Rene Berthiaume from the Department of Human Services and one individual.

Upon review of the testimony, your Committee finds that Mr. Berthiaume's experience with community rehabilitation programs and extensive community involvement qualify him to serve on the State Rehabilitation Council. Mr. Berthiaume is a private consultant, having worked for over thirty years at Network Enterprises Inc., a community rehabilitation program in Honolulu from which he recently retired from his position as Vice President. Your Committee further finds that Mr. Berthiaume is an extremely involved community member, volunteering his time to an impressive array of organizations. In addition to the State Rehabilitation Council, Mr. Berthiaume is the founder of the National Coalition of State Rehabilitation Councils, serves on the Commission of Accreditation Rehabilitation Facilities, and is a member of numerous housing and veteran agencies. Your Committee notes that as the founder of the

National Coalition of State Rehabilitation Councils and founding member of the Hawaii Coalition for Affordable Housing, Mr. Berthiaume has made lasting contributions to the community. He is still a very active public servant, currently serving on the Board of Directors of the Hawaii Public Housing Authority, the Governor's Affordable Housing Task Force, and recently the State Commemorative Planning Committee for the Fiftieth Anniversary of the Vietnam War.

RODERICK MACDONALD

Your Committee received testimony in support of Roderick MacDonald from the Department of Human Services; Aloha State Association of the Deaf; Hawaii Deaf Surfriders Association; Gallaudet University Alumni Association, Hawaii Chapter; and four individuals.

Upon review of the testimony, your Committee finds that Dr. MacDonald's extensive work advocating for deaf and blind individuals as well as his personal experience as a deaf and blind individual qualify him to serve on the State Rehabilitation Council. Dr. MacDonald is a retiree from the United States Department of Labor where he worked as a Management Analyst for twenty-seven years. Your Committee notes that Dr. MacDonald has experience with vocational rehabilitation, spending nine of his working years in various rehabilitation programs. Your Committee further finds that Dr. MacDonald is a life-long advocate for the deaf and blind community. He served as President of the American Association of the Deaf-Blind for twelve years, Vice-President of the World Federation of the Deaf-Blind for four years, and was a member of the Standing Committee on Activities of Deaf-Blind Persons of the World Blind Union for eight years. One program Dr. MacDonald helped organize was an exchange program that allowed deaf-blind Americans to attend conventions in Europe. Dr. MacDonald indicated in his personal statement a desire for meaningful "connect" between consumer needs and the actual services that individuals with disabilities receive. Dr. MacDonald has received numerous awards for his enduring efforts to help the deaf-blind community.

LANELLE YAMANE

Your Committee received testimony in support of Lanelle Yamane from the Department of Human Services, Hawaii Rehabilitation Counseling Association, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Yamane's diversified experience in the field of vocational rehabilitation qualifies her to serve on the State Rehabilitation Council. Ms. Yamane has experience working for the Department of Human Services' Division of Vocational Rehabilitation and is currently a private vocational rehabilitation service provider. In addition to being a Certified Rehabilitation Counselor, Ms. Yamane is a Licensed Mental Health Counselor, National Certified Counselor, and qualified as an expert witness on issues pertaining to social security. In addition to her own work caseload, Ms. Yamane supervises practicum students for the University of Hawaii's Rehabilitation Counseling program. Your Committee notes that Ms. Yamane was recognized as Rehabilitation Counselor of the Year in 2010. Your Committee finds that in addition to being highly respected in her profession, Ms. Yamane is a valued leader and public servant. She currently is the President-Elect to the Hawaii Rehabilitation Counselor Association and a member of the National Rehabilitation Counseling Association and International Association of Rehabilitation Professionals. As a representative from the Island of Hawaii, Ms. Yamane expressed in her personal statement the hope to provide vocational rehabilitation services fairly and adequately across the State.

KRISTINE TAKEKAWA

Your Committee received testimony in support of Kristine Takekawa from the Department of Human Services and one individual.

Upon review of the testimony, your Committee finds that Dr. Takekawa's experience with the Department of Education and work with students who have hearing and vision loss qualify her to serve on the State Rehabilitation Council. Dr. Takekawa is an Educational Specialist with the Department of Education and is responsible for the education of students with sensory losses. Previously, Dr. Takekawa served as the audiologist on the Diagnostic Team at the Hawaii Center for the Deaf and Blind, as well as Administrator of the Newborn Hearing Screening Program for the Hawaii Department of Health's Zero-to-Three Project. Your Committee further finds that Dr. Takekawa shares her audiology expertise with the community by serving on the Hoopono Advisory Board which provides guidance and support to the Division of Vocational Rehabilitation. In her personal statement, Dr. Takekawa indicated she hopes to provide ideas and information to the State Rehabilitation Council that can create a smooth process for students with disabilities and help them be happy and productive members of the community. Your Committee notes that Dr. Takekawa will bring needed collaboration to the Council as it works to create new services for youth with disabilities that are required by the federal Workforce Innovation and Opportunity Act of 2014.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1710 Higher Education and the Arts on Gov. Msg. Nos. 546, 547, 548, 549, 550, and 551

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII

G.M. No. 546 MICHAEL T. MCENERNEY, for a term to expire 6-30-2020;

G.M. No. 547 DAVID IHA, for a term to expire 6-30-2017;

G.M. No. 548 ERNEST WILSON, JR., for a term to expire 6-30-2019 (term amended to 6-30-2020 by GM717);

G.M. No. 549 HELEN NIELSEN, for a term to expire 6-30-2015;

G.M. No. 550 SIMEON ACOBA, JR., for a term to expire 6-30-2017; and

G.M. No. 551 WAYNE HIGAKI, for a term to expire 6-30-2016

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Michael McEnerney; David Iha; Ernest Wilson, Jr.; Helen Nielsen; Simeon Acoba, Jr.; and Wayne Higaki to possess the requisite qualifications to be nominated to the Board of Regents of the University of Hawaii (Board of Regents).

MICHAEL MCENERNEY

Your Committee received testimony in support of the nomination of Mr. Michael McEnerney from ten individuals.

Upon review of the testimony, your Committee finds that Mr. McEnerney is currently the President of McEnerney, Shimabukuro, Okazaki & Fujita, CPAs, AAC. He is an attorney and admitted to the bar in Illinois, Hawaii, several federal districts, the Tax Court of the United States, the United States Ninth Circuit Court of Appeals, and the United States Supreme Court. Your Committee finds that Mr. McEnerney received his Bachelor of Science degree from the University of Wisconsin-Platteville in Accounting and Business Administration. He earned his Master of Business Administration from the University of Hawaii at Manoa and his Juris Doctor from Northwestern University School of Law. Mr. McEnerney is also active in numerous professional and community organizations, including serving as the President, Vice President, and Director of the Hawaii Chapter of the American Society of Appraisers, as well as serving as a founding member of the Collaborative Divorce Hawaii Practice Group.

In addition, Mr. McEnerney has training in collaborative law, mediation, and arbitration. He serves as a volunteer at the Mediation Center of the Pacific and as an arbitrator in financially related matters. Your Committee recommends Mr. McEnerney be appointed to the Board of Regents based on his extensive experience, knowledge, and dedication to public service.

DAVID IHA

Your Committee received testimony in support of the nomination of Mr. David Iha from nine individuals.

Upon review of the testimony, your Committee finds that, prior to retirement, Mr. Iha served as the Executive Administrator and Secretary of the Board of Regents of the University of Hawaii. Your Committee further notes that Mr. Iha has also previously served as the Director of Administrative Services at Kauai Community College and as the Provost of Kauai Community College. Mr. Iha received his Bachelor's degree from Wheaton College in Illinois, where he also played quarterback on the football team. He earned his Master's degree from the University of Hawaii at Manoa. Mr. Iha has been an active member in his community, including serving on the Hawaii Community Foundation, the Public Schools of Hawaii Foundation, the Conference Council of the United Church of Christ, and the Kauai Island Utility Cooperative Board. Mr. Iha has also served as a member of the Board of Directors of the American Council on Education, representing 1,700 higher education institutions, where he learned about higher education issues at the national level. Your Committee therefore recommends Mr. Iha be appointed to the Board of Regents based on his extensive experience, knowledge, and dedication to public service.

ERNEST WILSON, JR.

Your Committee received testimony in support of the nomination of Mr. Ernest Wilson, Jr., from eleven individuals.

Upon review of the testimony, your Committee finds that, prior to retirement, Mr. Wilson served as Dean of the School of Hospitality, Resort and Culinary Management at Paul Smith's College. Prior to that position, Mr. Wilson served as a Dean and professor at Hawaii Pacific University. He has also previously served as a Lieutenant Colonel in the United States Army and as a hotel manager for the Outrigger Enterprises Group. He earned a Bachelor of Science in Hotel Management from Cornell University. He earned a Master of Science in Hospitality Management from Florida International University. Your Committee notes the extensive travel and diverse experiences Mr. Wilson has undertaken in furtherance of his education and employment opportunities. Mr. Wilson's wealth of experience will enhance the effectiveness of the Board. Your Committee therefore recommends Mr. Wilson be appointed to the Board of Regents based on his extensive experience, knowledge, and dedication to public service.

HELEN NIELSEN

Your Committee received testimony in support of the nomination of Helen Nielsen from twelve individuals.

Upon review of the testimony, your Committee finds that Ms. Nielsen is the co-owner and co-manager of commercial properties on Maui and Big Island. She previously served as a Field Representative for the Office of United States Senator Brian Schatz. Prior to that position, Ms. Nielsen served as a reports analyst for W.R. Grace & Company. Ms. Nielsen is an active member of her community, including serving as the President of the Maui Japanese Chamber of Commerce and on the Maui Japanese Cultural Society Board of Directors. Ms. Nielsen also founded the Maui Coastal Land Trust and served on its board for over a decade. She has been serving as an interim member of the Board of Regents for approximately four months, and your Committee finds that the Board of Regents and University of Hawaii System will continue to benefit from Ms. Nielsen's continued service. Your Committee therefore recommends Ms. Nielsen be appointed to the Board of Regents based on her extensive experience, knowledge, and dedication to public service.

SIMEON ACOPA, JR.

Your Committee received testimony in support of the nomination of Justice Simeon Acoba, Jr., from the University of Hawaii Pamantasan Council; Oahu Filipino Community Council; United Filipino Council of Hawaii; The Filipino Community Center, Inc.; Filipino American Citizens League; United Public Workers, AFSCME, Local 646, AFL-CIO; ILWU Local 142; Hawaii Justice Foundation; L&L Hawaiian Barbecue; and forty-two individuals.

Upon review of the testimony, your Committee finds that Justice Acoba is currently a Lecturer in Law at William S. Richardson School of Law. He has previously served as an Associate Justice on the Hawaii Supreme Court, an Associate Judge on the Hawaii Intermediate Court of Appeals, Third Division, and a Judge of the Circuit Court of the First Circuit. Your Committee finds that Justice Acoba earned his Bachelor of Arts degree from the University of Hawaii at Manoa. He earned his Juris Doctor from Northwestern University School of Law. Justice Acoba is an active member of his community and currently serves as an interim member of the

Board of Regents. He has also served in multiple civic organizations in leadership roles, including serving as a Director of the Legal Aid Society of Hawaii, a Director of the Hawaii Justice Foundation, and a Director of the Mediation Center of the Pacific. Your Committee further finds that as an interim member of the Board of Regents, Justice Acoba has a thorough understanding of the role and responsibilities of the Board of Regents within the University of Hawaii System. Your Committee therefore recommends Justice Acoba be appointed to the Board of Regents based on his extensive experience, knowledge, and commitment to serving the public.

WAYNE HIGAKI

Your Committee received testimony in support of the nomination of Mr. Wayne Higaki from the Office of the State Director for Career and Technical Education, and twenty-nine individuals.

Upon review of the testimony, your Committee finds that Mr. Higaki's knowledge, background, and prior experience qualify him for appointment to the Board of Regents. Your Committee further finds that Mr. Higaki is the Chief Development Officer of the North Hawaii Community Hospital. From February 2013 to January 2014, he served as the Vice President of Public Affairs and Chief Development Officer of the North Hawaii Community Hospital. Mr. Higaki is also an active member of his community, including serving on the Board of Directors of the Waimea Community Association and as Chairperson of the County of Hawaii's Workforce Investment Board. He also currently serves on the Mayor's Health Sustainability Task Force and with the State Health Planning and Development Agency. This extensive leadership experience will make him an excellent addition to the Board of Regents. Your Committee therefore recommends Mr. Higaki be appointed to the Board of Regents based on his extensive experience, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Higher Education and the Arts that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Wakai).

SCRep. 1711 Human Services and Housing on Gov. Msg. No. 796

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAII PUBLIC HOUSING AUTHORITY

G.M. No. 796 JASON ESPERO, for a term to expire 6-30-2019

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Jason Espero to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Public Housing Authority.

Your Committee received testimony in support of the nomination of Jason Espero from the Hawaii Public Housing Authority and one individual.

Mr. Espero is currently the Director of Care-A-Van at Waikiki Health, which provides mobile medical and social services directly to individuals and families in need across Oahu. He earned a Bachelor of Arts in Political Science from the University of Hawaii at Manoa. Over the past four years, he has served as a member and Vice-Chair of the Board of Directors, and is familiar with the Hawaii Public Housing Authority and the challenges that individuals who are homeless go through when finding housing. Your Committee therefore recommends that Mr. Espero be reappointed to the Board of Directors of the Hawaii Public Housing Authority based on his knowledge, experience, and commitment to giving back to his community.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Green, Slom).

SCRep. 1712 Human Services and Housing on Gov. Msg. Nos. 795, 797, 798, 799, and 800

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII PUBLIC HOUSING AUTHORITY

G.M. No. 795 ALENA MEDEIROS, for a term to expire 6-30-2018;

G.M. No. 797 LAURA SMITH, for a term to expire 6-30-2019;

G.M. No. 798 LISA A. DARCY, for a term to expire 6-30-2016;

G.M. No. 799 NANCY CABRAL, for a term to expire 6-30-2019; and

G.M. No. 800 PONO D. SHIM, for a term to expire 6-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alena Medeiros, Laura Smith, Lisa A. Darcy, Nancy Cabral, and Pono D. Shim to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Public Housing Authority.

ALENA MEDEIROS

Your Committee received testimony in support of the nomination of Alena Medeiros from the Department of Human Services, Hawaii Public Housing Authority, Enterprise Honolulu, Healthcare Association of Hawaii, Hawaii Primary Care Association, and eighteen individuals.

Ms. Medeiros is currently the Policy and Public Affairs Director for the Hawaii Primary Care Association, where she is responsible for developing advocacy initiatives for the Hawaii Primary Care Association and fourteen community health centers across the State, developing policy agenda, and providing critical leadership to collaborative relationships with public and private organizations, leaders, and businesses to address health care needs. She has also acted as Executive Director for Housing Hawaii and Deputy Policy Advisor in the Office of the Governor under former Governor Linda Lingle.

Your Committee finds that Ms. Medeiros' experiences in strategic development, budget analysis, and legislation will be great assets to the Board.

LAURA SMITH

Your Committee received testimony in support of the nomination of Laura Smith from the Department of Human Services, Hawaii Public Housing Authority, and two individuals.

Ms. Smith is the President and Chief Executive Officer of Goodwill Industries of Hawaii, Inc. She earned a Master of Science in Rehabilitation Administration from the University of San Francisco and a Bachelor's degree in Social Work from the University of Hawaii. She recently received the Women's Leadership Award from the YWCA of Oahu in 2015 and serves on Goodwill Industries International Board, Punawai 'O Pu'uhonua Advisory Board, and Hawaii Employers Council.

Your Committee finds that Ms. Smith's past experiences in human services programs, as well as her proven record as a leader, will be great assets to the Board.

LISA A. DARCY

Your Committee received testimony in support of the nomination of Lisa A. Darcy from the Department of Human Services, Hawaii Public Housing Authority, and ten individuals.

Ms. Darcy is currently the Executive Director of Ho'omoana, where she leads the foundation in delivering direct and indirect services to homeless community applicants with addiction and mental health needs. She earned Bachelor of Arts degrees in Psychology and Sociology from Rutgers University. Furthermore, Ms. Darcy has over twenty-five years of state government, private sector, and non-profit work experience assisting and advocating for Hawaii's mentally ill population.

Your Committee finds that Ms. Darcy's past experiences in assisting Hawaii's mental health community, as well as her demonstration of her leadership capabilities for the Maui Homeless Alliance, will be great assets to the Board.

NANCY CABRAL

Your Committee received testimony in support of the nomination of Nancy Cabral from the Department of Human Services, Hawaii Public Housing Authority, and one individual.

Ms. Cabral is the President of Day-Lum Rentals and Management, Inc., the largest property management company on the Island of Hawaii, which provides services in residential, commercial, and property association management. Ms. Cabral is a graduate of Virginia Commonwealth University and was recently awarded the Athena Award for her success helping women in the community and workplace.

Your Committee finds that Ms. Cabral's experiences in real estate, as well as her entrepreneurial business history, will be great assets to the Board.

PONO D. SHIM

Your Committee received testimony in support of the nomination of Pono D. Shim from the Department of Human Services; Hawaii Public Housing Authority; Chamber of Commerce Hawaii; Young Brothers, Limited; and twenty-two individuals.

Mr. Shim is the President and Chief Executive Officer of Enterprise Honolulu, a private organization that envisions a prosperous Hawaii through partnerships, collaboration, and community input. He is also involved in infrastructure, planning, and workforce development to build a foundation for a prosperous economy. Furthermore, Mr. Shim serves on several boards for non-profits, private companies, and task forces. In his personal statement, Mr. Shim stated that he hopes that the Board can support strategies that will create more housing for economically distressed residents.

Your Committee finds that Mr. Shim's experience in Hawaiian cultural and historical issues, as well as his business background, will be great assets to the Board.

As affirmed by the records of votes of the members of your Committee on Human Services and Housing that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 1713 Tourism and International Affairs on Gov. Msg. Nos. 825, 826, 827, 828, and 829

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII TOURISM AUTHORITY

G.M. No. 825 CRAIG NAKAMURA, for a term to expire 6-30-2018;

- G.M. No. 826 FRED ATKINS, for a term to expire 6-30-2018;
G.M. No. 827 GERALD L. DE MELLO, for a term to expire 6-30-2018;
G.M. No. 828 RODNEY G. K. KAM, for a term to expire 6-30-2018; and
G.M. No. 829 SEAN DEE, for a term to expire 6-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Craig Nakamura; Fred Atkins; Gerald L. De Mello; Rodney G. K. Kam; and Sean Dee to possess the requisite qualifications to be nominated to the Board of Directors of the Hawai'i Tourism Authority (HTA).

CRAIG NAKAMURA

Your Committee received testimony in support of the nomination of Craig Nakamura from the Hawaii Lodging & Tourism Association and seven individuals.

Mr. Nakamura is the Administrative Partner in the Carlsmith Ball LLP law firm's Maui office and is a member of the Litigation & Alternative Dispute Resolution Group. He has practiced in many areas of law, including corporate and business, labor and employment litigation, litigation and alternative dispute resolution, civil litigation, construction litigation, probate, real estate, land use, and hospitality. Mr. Nakamura has served as a member of the HTA Board of Directors since 2011.

Mr. Nakamura indicated in his personal statement that his background, having been born and raised in Hawaii and having worked on Maui for over thirty years, gives him an understanding and appreciation of Hawaii's heritage, culture, and environment that is fundamental to his approach to everyday life. He also indicated that he believes it is important to build on the outdoor, active lifestyle that many residents and visitors of Hawaii enjoy through maintained support of existing sports events and a strategy to expand and market Hawaii as a location for sporting events. Mr. Nakamura also indicated that he intends to promote programs that support Hawaiian culture and build upon Hawaii's historical connections to other world regions, as well as promote programs that support, protect, and develop Hawaii's natural resources.

Your Committee finds that Mr. Nakamura's past legal experiences and service to the HTA Board of Directors qualify him for reappointment to the HTA Board of Directors as a representative of the County of Maui.

FRED ATKINS

Your Committee received testimony in support of the nomination of Fred Atkins from the Hawaii Lodging & Tourism Association, Office of the Mayor of the County of Kauai, Kauai Chamber of Commerce, Poipu Beach Resort Association, and four individuals.

Mr. Atkins is a General Partner in Kauai Kilohana Partners, which renovated and manages the Kilohana Plantation Estate. He is the former President of Hale Kea Ranch, Ltd., a company created to develop the Rockefeller Estate at Hale Kea. Mr. Atkins has previously worked as the sole proprietor of Amenities Hawaii, and as the Resident Manager and Convention Sales and Marketing Manager at Kauai Surf Resort. He has served as a board member of Kauai Hoe Waa, Hawaii Visitors and Convention Bureau, and Kauai Visitors Bureau. Mr. Atkins currently serves on the YMCA Board of Directors.

Mr. Atkins indicated in his personal statement that he believes it is important to ensure that Hawaii's host culture is integrated into the message, events, and process of marketing the Hawaiian Islands. He also indicated that he desires to see the HTA Board of Directors hold true to the vision statement, and improve upon it where possible. Mr. Atkins additionally indicated that he would like to bring Hawaii's agricultural history and small farmers into the mainstream of the visitor industry.

Your Committee finds that Mr. Atkins's past experiences in the visitor industry qualify him for appointment to the HTA Board of Directors as a representative of the County of Kauai.

GERALD L. DE MELLO

Your Committee received testimony in support of the nomination of Gerald L. De Mello from the Hawaii Lodging & Tourism Association and five individuals.

Mr. De Mello is an affiliate faculty of the Daniel K. Inouye College of Pharmacy at the University of Hawaii at Hilo. He has previously worked as the Director of University Relations at the University of Hawaii at Hilo, an Emeritus Professor of sociology at Hawaii Community College, and Administrative Assistant to the Governor in the East Hawaii liaison office. Mr. DeMello has previously served on the Board of Land and Natural Resources and has been a member of the Hawaii Historical Society and Hawaii Professional Marketing Association as well as the Hawaii Island Chamber of Commerce, Hawaii Island Portuguese Chamber of Commerce, and Japanese Chamber of Commerce & Industry of Hawaii. He currently serves on the Lyman Museum Board, Hamakua Heritage Board, and Hawaii Historic Places Review Board.

Mr. De Mello indicated in his personal statement that he has a strong professional and personal interest in Hawaii's history, culture, and sociology as they cultivate Hawaii's visitor industry and perpetuate native Hawaiian and multi-cultural traditions and culture. He indicated that he understands marketing strategies applied and used to maximize the return on investment of state dollars in marketing plans and targeted promotional venues selected to improve the visitor experience in Hawaii and believes the HTA can further promote cultural and heritage travel and collaborate with the Department of Transportation and Department of Business, Economic Development, and Tourism to define roads and byways as heritage corridors.

Your Committee finds that Mr. De Mello's past experiences in academia, marketing, and sociology qualify him for appointment to the HTA Board of Directors as a member-at-large.

RODNEY G. K. KAM

Your Committee received testimony in support of the nomination of Rodney G. K. Kam from the Hawaii Lodging & Tourism Association and two individuals.

Mr. Kam is the Ambassador of Aloha for Quiksilver, Inc. Hawaii. He has previously worked for Quiksilver, Inc., as the Senior Director of Retail for the Americas, Vice President of Operations Retail for the Americas, Vice President of New Business Development Hawaii, Regional Manager of Hawaii, and District Manager of Hawaii.

Mr. Kam indicated in his personal statement his commitment to the values of aloha and his belief that Hawaii and the aloha spirit are gifts to the world. He indicated that he hopes to be fiscally responsible with tax dollars and nurture a thriving community of healthy individuals, families, and businesses that are informed about Hawaii's rich heritage and culture while living in a state of Iokahi.

Your Committee finds that Mr. Kam's past experiences in retail and his passion for aloha qualify him for appointment to the HTA Board of Directors as a member-at-large.

SEAN DEE

Your Committee received testimony in support of the nomination of Sean Dee from the Hawaii Lodging & Tourism Association, Orbitz Worldwide, and twenty-one individuals.

Mr. Dee is the Executive Vice President, Chief Marketing Officer of Outrigger Enterprises Group. He has previously worked as the Executive Vice President, Chief Marketing Officer of AEG and President of AEG Live Global Branding division and Vice President, Chief Marketing Officer of Hard Rock International. He has served on the Board of Directors of the LA Tourism & Convention Board, Grammy Museum LA Live, and STAPLES Center Foundation.

Mr. Dee indicated in his personal statement that he wishes to contribute the sum of his decades-long knowledge and experience in international resort and leisure sale and marketing to the mission of the HTA. He also indicated that he believes that the HTA should work to improve Hawaii's competitiveness as a global destination for leisure and business travel and market Hawaii as a premier visitor destination without losing the essence of Hawaii's people, places, and culture.

Your Committee finds that Mr. Dee's past experiences in marketing and the hospitality and tourism industry qualify him for appointment to the HTA Board of Directors as a member-at-large.

As affirmed by the records of votes of the members of your Committee on Tourism and International Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 1714 Judiciary and Labor on Jud. Com. No. 7

Recommending that the Senate consent to the nomination of the following:

DISTRICT FAMILY COURT OF THE FIRST CIRCUIT

J.C. No. 7 DYAN M. MEDEIROS, for a term to expire in 6 years

Your Committee has reviewed the resume and statements submitted by the appointee and finds Dyan M. Medeiros to possess the requisite qualifications to be appointed to the District Family Court of the First Circuit, State of Hawaii.

Testimony in support of the appointment of Ms. Medeiros was submitted by Volunteer Legal Services Hawaii and twenty-two individuals. Comments regarding the appointee were submitted by the Hawaii State Bar Association.

The Hawaii State Bar Association (HSBA) Board of Directors found the appointee to be qualified for the position of District Family Court Judge, First Circuit, based on all categories of the HSBA criteria that includes: integrity, diligence, legal knowledge and ability, professional experience, temperament, financial responsibility, public service, health, and ability to fulfill the responsibilities and duties of the position.

Ms. Medeiros was a member of Phi Beta Kappa and earned her Bachelor of Arts degree in English with Honors from the University of Hawaii at Manoa where she was a Regents' Scholar during her four years of undergraduate study. She obtained her Doctorate of Jurisprudence from the William S. Richardson School of Law at the University of Hawaii at Manoa where she was a Dean's Scholar.

Ms. Medeiros currently is a Partner at Kleintop, Luria & Medeiros, LLP where her duties include managing human resources issues for the firm. She focuses her practice on family law matters, including divorce, abuse, and paternity cases. Prior to joining Kleintop, Luria & Medeiros, LLP in 2008, she served as an Associate at Stirling & Kleintop from 1998 to 2008 and Damon Key Leong Kupchak Hastert from 1996 to 1998.

Ms. Medeiros is licensed to practice law in Hawaii and is an active participant in the legal community. Since 1996, she has volunteered her time at Volunteer Legal Services Hawaii by conducting family law clinics to provide advice and legal counsel to individuals and families on how to navigate the legal system to best resolve their legal issues. She was also instrumental in launching the Uncontested Divorce Workshop to help self-represented parties understand and finalize their divorces without prolonged litigation. She also has invested her time by serving on Family Court Committees as well as the Family Law Section of the Hawaii State Bar Association.

Testimony in support of Ms. Medeiros' appointment indicate that she is a skilled and talented lawyer who has devoted the last seventeen years of her professional practice to family law. She has demonstrated extraordinary listening, analytical, organizational, and leadership skills in representing her clients effectively in settlement negotiations, alternative dispute resolution efforts, and trials and motion hearings. She is extremely diligent in her preparation, articulate in her oral and written communications, persuasive in her reasoning, and unfailingly decisive, compassionate, and committed to her clients and the legal profession.

Of particular note, for the last five years, Ms. Medeiros has frequently been appointed by the Family Court to be a Volunteer Settlement Master for high conflict, multi-issue cases that the Family Court did not have the time to address before trial. In this role, she has been particularly effective due to her calm and caring demeanor, patience, attention to detail, reasoned guidance, and fairness. She has settled nearly all of the cases assigned to her by the Family Court and earned the respect of counsel and parties for her skills in this role. These skills will seamlessly transfer to her role on the bench.

As such, your Committee finds that, based on testimony submitted on her behalf, Dyan M. Medeiros has the experience, temperament, judiciousness, and other competencies to be a District Family Court Judge. She has a good sense of where the equities, rights, and responsibilities lie in a case, which is essential for a District Family Court Judge.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).